

HOUSE FINANCE COMMITTEE  
April 8, 2025  
1:39 p.m.

[1:39:43 PM](#)

CALL TO ORDER

Co-Chair Foster called the House Finance Committee meeting to order at 1:39 p.m.

MEMBERS PRESENT

Representative Neal Foster, Co-Chair  
Representative Andy Josephson, Co-Chair  
Representative Calvin Schrage, Co-Chair  
Representative Jamie Allard  
Representative Jeremy Bynum  
Representative Alyse Galvin  
Representative Sara Hannan  
Representative Nellie Unangiq Jimmie  
Representative DeLena Johnson  
Representative Will Stapp  
Representative Frank Tomaszewski

MEMBERS ABSENT

None

ALSO PRESENT

Representative Andrew Gray, Sponsor; Claire Bredar, Staff, Representative Andrew Gray; Nancy Meade, General Counsel, Alaska Court System; Brenda Stanfill, Director, Alaska Network on Violence and Sexual Assault; Representative Andi Story, Sponsor; Cherie Bowman, Staff, Representative Andi Story; Ricardo Worl, Self, Juneau; Kerry Thomas, Acting Executive Director, Alaska Commission of Postsecondary Education, Department of Education and Early Development; Representative Justin Ruffridge.

PRESENT VIA TELECONFERENCE

Keely Olson, Executive Director, Standing Together Against Rape, Anchorage; Randi Breager, Executive Director, Abused Women's Aid in Crisis, Anchorage; Eleanor Dolgonos, Self,

Anchorage; John Skidmore, Deputy Attorney General, Criminal Division, Department of Law; James Stinson, Director, Office of Public Advocacy, Department of Administration; Ariel Toft, Deputy Public Defender, Alaska Public Defender Agency, Department of Administration; Kevin Worley, Administrative Services Director, Department of Corrections; Diann Thornton, Administrative Services Director, Department of Public Safety; David Flaten, Social Services Program Officer, Division of Juvenile Justice, Department of Family and Community Services.

SUMMARY

HB 10           ADD FACULTY MEMBER UNIV BOARD OF REGENTS

HB 10 was SCHEDULED but not HEARD.

HB 28           TEACHER/STATE EMPLOYEE STUDENT LOAN PRGRM

HB 28 was HEARD and HELD in committee for further consideration.

HB 101          CRIMES AGAINST MINORS

HB 101 was HEARD and HELD in committee for further consideration.

Co-Chair Foster reviewed the agenda for the meeting.

#hb101

HOUSE BILL NO. 101

"An Act relating to civil claims by victims of sexual abuse to a minor; relating to homicide; relating to assault in the third degree; relating to stalking; relating to sexual abuse of a minor; relating to enticement of a minor; relating to endangering the welfare of a child; relating to indecent exposure; relating to sending an explicit image of a minor; relating to solicitation or production of an indecent picture of a minor; relating to distribution of indecent material to minors; relating to the testimony of children in criminal proceedings; relating to sentencing; and providing for an effective date."

1:41:03 PM

REPRESENTATIVE ANDREW GRAY, SPONSOR, introduced the bill with prepared remarks:

Thank you to the co-chairs and to the finance committee for allowing me to present this important piece of legislation today. For the record, my name is Andrew Gray; I am the representative for house district 20 - the U-Med district in Anchorage.

Alaska has the highest rate of rape in the country, which is over three times the national average. We also have one of the highest rates of child sexual assault in the country - nearly six times the national average according to the UAA Justice Center's Alaska Victimization Survey. That 2020 survey found that over 35 percent of Alaskan women report being sexually abused before the age of 18.

Advocates from Alaska's domestic violence and sexual assault organizations have consistently identified that Alaska's low age of sexual consent presents a unique risk factor for minors who are 16 and 17 years old. And that is the reason for this bill - the goal is to reduce the amount of rape and sexual assault affecting Alaska's young people. Under current statute, 16 and 17-year-old individuals can legally consent to sex, meaning that in the case of a sexual assault, these minors must prove that they did not consent to sex in court. This makes prosecution of cases of sexual assault and sex trafficking more difficult.

An example: In late December 2023 in Soldotna, a 63-year-old law enforcement officer by the name of Vince Peronto was sentenced to 8 years in prison for attempted sexual abuse of a minor in the second degree. In 2018 He had pulled over a 16-year-old female while driving, then started exchanging flirtatious text messages with her. When her father found out, he contacted law enforcement, and they set up a "sting" operation to catch him attempting to meet up with her for sex. The only reason this was considered criminal is because he was an officer and was thus in a position of authority (which is already a crime). If he hadn't been with law enforcement - if he had just been a friend of her parents or anyone else NOT in a position of authority, it would have

been perfectly legal for that 63-year-old to meet up with that 16-year-old for sex.

You may ask why we don't hear more about these cases. The reason why is that legal sexual relationships don't get reported in the news. Sex between older adults and 16- and 17-year-olds is NOT currently against the law, except under very specific criteria, and therefore we don't hear about it, but parents have called crisis hotlines describing how their teens are being manipulated and coerced by adults for sex but there is no legal recourse for those parents. Our statutes do not protect 16 and 17 years old from predators in Alaska.

House Bill 101 increases the age of consent in to 18, closing the loophole that has left 16 and 17-year-old children unprotected. A four-year close-in-age exemption is retained in this bill as you see it in front of you, but we have heard from some stakeholders that they would like to increase that range. I'd like this committee to know that I am open to an amendment or a committee substitute that increases the close in age exemption and am happy to talk about that. This Romeo and Juliet clause, as it is often called, allows for a 16- or 17-year-old to legally consent to sex with their peers which should be allowed. The intent of this bill is not to criminalize consensual sex among teenagers; the goal is to make it more difficult for 16 and 17 years old to be victims of sexual assault and sex trafficking.

If we pass this House Bill 101 Alaska would have the same age of consent as Florida, Kentucky, Idaho, Utah, and Arizona, to name a few.

[1:45:28 PM](#)

Representative Gray continued to explain the bill with prepared remarks:

HB 101 also makes changes for consistency in several other areas of criminal statute that treat 16 and 17-year-olds differently than other minors, such as criminalizing the sending of explicit images of 16 and 17-year-olds - currently sending photos of nude 16- and 17-year-olds is not a crime, but it should be.

What these additional changes do - and this is why this bill is so long - is make our statutes consistent - a minor would truly be anyone under the age of 18; we would get rid of this carve out where 16- and 17-year-olds are treated as adults with regards to sex.

CLAIRE BREDAR, STAFF, REPRESENTATIVE ANDREW GRAY, provided a review of the sectional analysis (copy on file). She introduced it with prepared remarks:

Sections 1-6

These sections amend multiple statutes to update the definition of a minor, raising the age from 16 to 18 years old in cases related to specific criminal offenses.

Section 1: AS 09.55.650(a) - Claims based on sexual abuse of a minor

Section 7

Amends AS 11.41.434(a)(3) to specify that an offender 18 years of age or older commits sexual abuse of a minor in the first degree if they engage in sexual penetration with a person under 18 years of age.

Section 8

Amends AS 11.41.436(a) to expand the definition of sexual abuse of a minor in the second degree to include 16- and 17-year-olds, in addition to the existing provisions for 13-, 14-, and 15-year-olds.

Section 9

Amends AS 11.41.438(a) to expand the definition of sexual abuse of a minor in the third degree to include 16- and 17-year-olds, in addition to the existing provisions for 13-, 14-, and 15-year-olds.

Sections 10-27

These sections modify various statutes to update the legal definition of a minor, changing the age threshold from 16 to 18 years old for crimes related to child endangerment, indecent exposure, solicitation, and sentencing guidelines.

Section 30

Repeals AS 11.41.436(a)(6), 11.41.440(a)(2); and AS 12.63.100(7)(C)(ii).

Section 31

Clarifies the applicability of the amended statutes.

Section 32

Provides for an effective date.

Co-Chair Foster moved to invited testimony. He recognized Representative Justin Ruffridge in the room.

[1:48:11 PM](#)

KEELY OLSON, EXECUTIVE DIRECTOR, STANDING TOGETHER AGAINST RAPE, ANCHORAGE (via teleconference), spoke in support of the legislation with prepared remarks:

My name is Keeley Olson, and I am testifying in support of HB 101, which among other things raises the age of consent to sexual acts for teens from the age of sixteen to eighteen.

When I first met Representative Gray, he asked me what the legislature might accomplish that would have the greatest impact on the high rates of sexual violence in Alaska. I told him protecting minors from sexual assault would be the most impactful thing that could be done. Vulnerable minors are often left without access to sufficient aid and resources after a sexual assault because of the age of consent, and so often predatory offenders are not held accountable for their actions.

I gave Representative Gray several examples of the law failing teens, but the clearest one I can provide to you today is that of a former legislative aide, Benjamin Anderson-Agimuk who in 2020 at the age of 27, was charged in Bethel with two counts of furnishing alcohol to a person under 21, and one count of sexual assault of a minor under the age of 13. The details leading up to the sexual assault of an 11 year old girl are disturbing yet clearly illustrate the way current law fails teens and jeopardizes our state's most vulnerable residents.

His charges resulted from an incident that was the second time in a month that police had responded to claims the suspect had sex with a minor after

furnishing them alcohol. The first incident: According to court documents, police responded to a call on March 5 of a juvenile girl who passed out on the street. When officers arrived, the 16-year-old girl's mother said the suspect gave her daughter alcohol and then had sex with her.

According to the police affidavit, Anderson-Agimuk responded to questioning by police that "even if he did have sex with her, she was 16 so it was legal."

While he was detained, police applied for a warrant to collect DNA evidence. While waiting for that warrant, the suspect's attorney demanded his release and police complied. They were unable to locate him after the warrant came through.

The second incident: Less than a month later, on April 2, the charges say that police responded to a 911 call reporting a 14-year-old girl and an 11-year-old girl lying on the ground in front of the Kuskokwim Consortium Library. According to the charging document, the 11-year-old told police she had been raped by the suspect. The girl said he had gotten her and the 14-year-old drunk and high on cannabis. The 11-year-old told police that she had been able to protect the 14-year-old from being raped as well.

Police located the suspect and arrested him the same day. His bail was set at \$50,000. In 2023, he pled guilty and was sentenced to 36 years in prison. Note that he was never held accountable for the alleged rape of the sixteen year old a few weeks earlier, and in fact the only charge he faced for that incident was furnishing alcohol to a minor.

I believe this case clearly illustrates the difference in the way a case involving a sixteen year old is swept under the rug while the offender goes free to brazenly escalate his predatory nature toward children.

It also illustrates that while the age of consent may not be a matter of substantial importance to many adults, there is a specific population that pays a great deal of attention to this law...predators.

Sixteen and Seventeen year olds are minors. They are children, and I'm not saying this in a dismissive way. They cannot legally enter into a contract on their own, they cannot rent a motel room, or a car, they cannot enter a bar, they cannot get a credit card or even open a bank account without an adult signer on the account.

Juvenile offenders under the age of eighteen are treated in ways significantly different from adult offenders. There is an entirely separate justice system set up to deal with them, and they have certain rights that must be upheld, because as a society we recognize children should not be treated as adults. Except for rare instances where a minor is charged as an adult for exceptionally heinous crimes, the State must take certain actions to attain that exception.

Why then, are victims of sexual assault in the State of Alaska treated as though they are adults with the full rights and responsibilities of adults?

STAR often receives heartbreaking calls on its crisis line from parents desperate to help their teen children who have been manipulated into sexual relationships with predatory adults. It is heartbreaking, because there is little help STAR can offer in such circumstances. The parent of a sixteen or seventeen year old is unable to obtain a protective order on behalf of their child. While the law may allow it, Judges and Magistrates are reluctant to do so without the minor being present and requesting it themselves. Minors over sixteen must petition the court directly and provide sworn affidavits of their need for protection, detailing the situations in documents open to the public and testifying before an open court.

Teens manipulated by predatory adults into sexual relationships are vulnerable to trafficking. For all the work the State has done in amplifying trafficking statistics and the need for interventions, protecting all minors is a helpful way to start making a difference for trafficked youth.

[1:54:30 PM](#)

Ms. Olson continued to read from prepared remarks:

For those teens who later realize the negative ramifications of having been manipulated into a sexual relationship and controlled by a predatory adult, they may feel reluctant to contact their parents or friends for help. They may feel estranged and unable or unwilling to admit they need help. A teen is unable to stay at a domestic violence shelter without an accompanying adult. They may not have access to any funds and safety planning with them is challenging. All we can do at STAR is attempt to help them reunify with their family and seek their own protective order.

Often, crimes of sexual assault against teens are reported to law enforcement and investigated at length, but the burden of proof to overcome the issue of consent is so high that these cases go uncharged and unprosecuted.

In 2023, the Anchorage Police Department investigated sex crimes involving 68 teens aged sixteen and seventeen. Eleven of the cases involved either indecent exposure or the creation or possession of child sexual abuse material. The remainder were investigations of sexual assault or abuse.

The Alaska 2023 Felony Level Sex Offenses Report showed more than half of all victims of sex crimes are under the age of eighteen. [518 victims statewide were over eighteen, while 732 were under eighteen]. The suspects were overwhelmingly over the age of 18 [77 percent, not accounting for those whose ages were unknown]. The vast majority of those causing harm tended to be adults and the majority of those being harmed by sexual violence were children. Unfortunately, the State report does not break down ages beyond the range of 11 - 17 years of age.

It is a miscalculation to look at this bill as addressing only statutory rape. This bill would greatly benefit older teens who are victims of forcible rape and alcohol- and drug- facilitated rape as well. Overcoming the burden of consent is a tough proposition for adults, it should not be so for children.

This bill aligns with Alaska's age of marriage law. A sixteen or seventeen year old cannot marry someone outside the same age range included in this bill, even with their parents' consent.

Adverse childhood experiences (ACES) and their repercussions are more and more on the forefront of Alaskan's minds. High ACES scores underly many challenging and chronic health conditions for adults. Intervention and resilience-building is critical to dampening the long-term consequences of harm.

[1:57:12 PM](#)

Ms. Olson continued to provide prepared remarks:

Youth who are sexually assaulted are much more vulnerable to ongoing harm. Years of research has shown that nearly half (49 percent) of all female survivors experienced some form of revictimization over the course of two years. Unwanted sexual contact was the most common form of revictimization followed by coercion, attempted or completed forcible assault, and attempted or completed substance-facilitated assault.

Without appropriate response and crisis intervention, youth are at higher risk to experience repeat victimizations. This can be avoided by making sexual assaults against minors a priority and making sure they are able to access the healing resources they need. This is impossible if they feel they are not protected, aren't taken seriously, or that they are somehow to blame for their own victimization.

Along with the highest rates of sexual assault and child sexual abuse in the nation, Alaska has the highest rates of suicide. The rates of suicide mortality continue to trend upward. In 2019, the rate in Alaska was 27 percent higher than in 2010. (Alaska Death by Suicide Rates and Figures 2010-2019) During this same period, the rate among Native peoples in the US increased by 68 percent.

Sexual assault has long been reliably linked to an increased risk for suicide. Recent research found that people who were sexually assaulted reported an 18

percent higher prevalence in suicidality than unassaulted people.

We cannot simply turn our backs on vulnerable minors and believe they have the capacity when they are harmed to seek out appropriate resources, develop positive coping mechanisms, and access necessary support without taking the crimes committed against them seriously.

Ms. Olson thanked the committee for its time, service to the state, and for helping to protect children.

[1:59:14 PM](#)

Co-Chair Foster moved to the second testifier.

RANDI BREAGER, EXECUTIVE DIRECTOR, ABUSED WOMEN'S AID IN CRISIS, ANCHORAGE (via teleconference), testified in support of the legislation with prepared remarks:

My name is Randi Breager, and I serve as the Executive Director of AWAIC. AWAIC is a nonprofit based in Anchorage, dedicated to supporting domestic violence victims and other victims of violent crime, advocating for policy change, and strengthening systems that protect survivors. I am here today to voice my support for House Bill 101. This bill is a critical step toward ensuring that our legal system adequately protects minors from sexual abuse and related offenses while holding perpetrators accountable.

With over 18 years of leadership experience in nonprofit, advocacy, and government sectors, I have seen firsthand the profound impact of domestic violence and sexual abuse on individuals, families, and communities across Alaska. Working for the Department of Public Safety for nearly a decade, also gave me a unique perspective of the immense challenges our state has in providing justice for victims of these crimes.

You all are aware Alaska consistently reports some of the highest rates of sexual violence in the country. This crisis is exacerbated by systemic gaps in protection for minors, who often lack the legal safeguards necessary to prevent abuse and ensure

justice. The way our laws are currently written, we have drawn an arbitrary line not supported by what we know scientifically about teens' cognitive, emotional, physical, and social development. We have determined that 15-year-old child is not developmentally equipped to enter into a sexual relationship with a middle-aged man. And yes, I understand the perpetrator could be a middle-aged woman, I am just illustrating this using the statistically predominant example. This legislation is proposing that something profound or magical does not in fact occur a day later when this child turns 16.

While working at Covenant House in my previous role, we witnessed day in and day out, vulnerable teenagers who can legally consent, be picked up by older men. Men they identified as their boyfriends. Men, we knew were preying on vulnerable children who were experiencing homelessness and often trauma from previous assaults and abuse, mental health issues, and vulnerabilities caused by substance use. This common sense bill tells us, that these adults, do not in fact believe they are engaging in a meaningful relationship with someone they consider a peer or an equal- they are simply being predatory and taking advantage of children. While few of these cases cross the paths of law enforcement, I can tell you it is not happening infrequently. These vulnerable teens are seeking support from agencies such as CHA due to the stigma and because previous experience tells them law enforcement cannot assist them.

By increasing the age definition of a minor from 16 to 18 years across remaining relevant statutes, this bill aligns Alaska laws with federal standards and many other states that recognizes the ongoing vulnerability of older teenagers. The bill additionally broadens the scope of offenses against minors, including homicide, third-degree assault, stalking, and enticement, ensuring that perpetrators face appropriate consequences.

[2:03:19 PM](#)

Ms. Breager continued to provide prepared remarks:

This bill also reduces the burden on law enforcement and prosecutors to hold these perpetrators accountable. Currently, they must expend significant investigative resources in proving sexual acts against 16 and 17 year olds were non-consensual- or rape. Unfortunately, what we see in many of these situations are adults feeding alcohol and drugs to minors and then having sex with them. It is then very difficult to prove the teens did not consent even though they are usually so incapacitated they could not have done so. We all already know proving incapacitation is very difficult and often not successful in sexual assault investigations and trials. This bill will remove that barrier for minors altogether.

Passing HB 101 sends a clear message that Alaska prioritizes the safety of its children and will not tolerate behaviors that devastate lives.  
Thank you for your time today.

Ms. Breager thanked the committee for its time.

[2:04:17 PM](#)

Co-Chair Foster moved to the third testifier.

ELEANOR DOLGONOS, SELF, ANCHORAGE (via teleconference), shared that she is 19 years old. She supported the passage of the bill. She read from prepared remarks.

[2:09:36 PM](#)

Co-Chair Foster noted there were eight fiscal notes. He asked for a review.

NANCY MEADE, GENERAL COUNSEL, ALASKA COURT SYSTEM, reviewed the zero fiscal note from the Alaska Court System with control code WpOkJ.

Representative Johnson noted there were five states, and asked if there was data from the other states when they changed their laws.

Ms. Mead did not have the data.

Representative Allard stated that at 16 years of age a person could consent to terminating a pregnancy and it could be paid for by the state.

[2:14:07 PM](#)

Representative Gray deferred the question to Ms. Olson. He stated his understanding of the question.

Representative Allard stated they had to be 18 to consent.

Representative Gray asked Ms. Olson to explain the way a 16 year old or 17 year old could consent and how evidence was gathered.

Ms. Olson relayed that if an 18 year old was sexually assaulted and became pregnant it was possible to collect evidence that could link to the predator to a sexual assault within a certain timeframe.

[2:15:56 PM](#)

Representative Allard clarified she was asking about a minor who could not consent. She asked if the DNA would be tested.

Ms. Olson responded that a person who was able to consent it would be similar, but deferred to Mr. Skidmore.

JOHN SKIDMORE, DEPUTY ATTORNEY GENERAL, CRIMINAL DIVISION, DEPARTMENT OF LAW (via teleconference), replied that when the crime was alleged, the state could get a search warrant but could not test every aborted fetus if it was not associated with a crime. He stated that it would be possible to test individuals within four years of age the sexual activity would not be a crime unless there was force.

[2:18:36 PM](#)

Representative Allard asked for verification that it was not required for a 16 year old.

Mr. Skidmore did not know.

Representative Allard stated that if a parent had suspicion that an individual was outside the four year bracket, and

if the parent said no to the abortion, and the individual was older, and they wanted the DNA tested, could it pass a legal check.

Mr. Skidmore answered that if a parent came forward and said their daughter aged 16 or 17 was having sex with an older individual, it would be difficult to test the fetus if the minor had agreed to the abortion.

[2:21:10 PM](#)

Co-Chair Foster asked for a review of the fiscal note from the Office of Public Advocacy.

JAMES STINSON, DIRECTOR, OFFICE OF PUBLIC ADVOCACY, DEPARTMENT OF ADMINISTRATION (via teleconference), reviewed zero fiscal note control code mKIQn.

[2:22:09 PM](#)

ARIEL TOFT, DEPUTY PUBLIC DEFENDER, ALASKA PUBLIC DEFENDER AGENCY, DEPARTMENT OF ADMINISTRATION (via teleconference), reviewed the zero fiscal note with control code CgQYd.

Co-Chair Foster moved to the Department of Corrections fiscal note.

KEVIN WORLEY, ADMINISTRATIVE SERVICES DIRECTOR, DEPARTMENT OF CORRECTIONS (via teleconference), reviewed the fiscal note from the Department of Corrections, control code CdakL. The note had zero impact.

[2:25:04 PM](#)

Co-Chair Foster moved to the note from the Department of Law.

Mr. Skidmore reviewed the zero fiscal note from the Department of Law, control code JFKTX.

[2:28:09 PM](#)

Co-Chair Foster moved to the fiscal note from Department of Family and Community Services, Division of Juvenile Justice. [the individual was not presently available]

[2:28:52 PM](#)

DIANN THORNTON, ADMINISTRATIVE SERVICES DIRECTOR, DEPARTMENT OF PUBLIC SAFETY (via teleconference), reviewed the zero fiscal note from DPS, control code dPGFI.

Ms. Thornton reviewed the second fiscal note from DPS, control code koGpe. The department did not anticipate a cost at present.

[2:30:18 PM](#)

DAVID FLATEN, SOCIAL SERVICES PROGRAM OFFICER, DIVISION OF JUVENILE JUSTICE, DEPARTMENT OF FAMILY AND COMMUNITY SERVICES (via teleconference), reviewed the zero fiscal note from the Division of Juvenile Justice, control code jUlbn.

[2:31:14 PM](#)

Co-Chair Foster

Representative Stapp thought it was a good bill. He thought there seemed to be a disconnect between the testimony and the information the committee heard related to the fiscal notes.

Mr. Worley replied that based on the current count, there was capacity. The department did not know what the change in capacity would be as a result of the bill.

Representative Stapp asked about the DOC current bed capacity and how many new prisoners it would expect if the bill passed.

Mr. Worley responded that he could not give an estimate that would result from the bill. Currently they were at about 85 percent capacity.

[2:36:12 PM](#)

Representative Gray spoke to the fiscal notes in general. He shared that the Judiciary Committee had heard from a testifier that was not available in the current meeting.

Representative Stapp supported the bill. He wondered whether there was an expected increase in prosecutions.

Co-Chair Foster asked if there was someone Representative Gray would recommend to answer the question.

Ms. Thornton replied that they were not necessarily expecting an increase in prosecutions but they did not have an estimate.

[2:40:21 PM](#)

Representative Stapp read from DPS's fiscal note. He thought the second part of the sentence did not make any sense, and asked for clarity.

Ms. Thornton responded that DPS had already investigated the crime, the understanding was that it would be a new law the department would enforce. She did not know the number of potential cases and could not estimate the cost.

Representative Gray stated it was currently a crime to rape 16 and 17 year olds.

Representative Stapp agreed with the situation, but he wanted to know how many more criminals would result from the bill.

[2:43:18 PM](#)

Representative Gray apologized because there was not invited testimony from law enforcement during the current hearing. He recommended listening to the law enforcement testimony in the House Judiciary Committee.

Representative Stapp asked about a ballpark number of cases impacting the Department of Law.

Mr. Skidmore thought the numbers would be more than 1 or 2 and anticipated there would be a number of more cases, but it was challenging to estimate the number.

[2:46:13 PM](#)

Representative Stapp liked the concept and thought deterrence worked. He asked the Alaska Court System the same question.

Ms. Meade responded affirmatively. The court system had no way of estimating the number of cases that would result from the bill.

[2:47:30 PM](#)

Representative Galvin thanked Representative Gray for bringing the bill forward. She thought the deterrence made it the most difficult part to think through fiscally. She stated that how predators paid attention to the law was very important. She referred to Ms. Dolgonos testimony that she had to push hard to be heard.

Co-Chair Foster noted that a representative from the Alaska State Troopers was now available online.

Representative Gray responded to Representative Galvin's question.

[2:51:55 PM](#)

Representative Bynum thanked Representative Gray for bringing the bill forward. He noted that he had co-sponsored the bill. He noted that the bill specified it would become effective immediately. He asked if there was any indication about individuals in current relationships that would be impacted by the bill.

Representative Gray answered that the relationship would be illegal if a 16 year old was dating a 30 year old.

Representative Bynum wondered whether there should be broad communication in the change in law.

[2:55:35 PM](#)

Representative Gray replied that there had not been discussion of a public service announcement, and he believed it would be covered extensively by the media.

Representative Hannan expressed confusion about the reason for the zero fiscal notes. She thought it made more sense for indeterminate fiscal notes. She remarked there were seven zero notes, she wondered why the bill came to finance.

Representative Gray answered that there had been a committee substitute in Judiciary, and if an 18 year old physically assaulted a 17 year old in school there had been a close in age exemption added a potential cost.

[2:58:10 PM](#)

Mr. Skidmore stated his understanding of the question. He had to say it was zero until he saw otherwise.

[3:00:04 PM](#)

Co-Chair Foster noted that the sponsor had asked about the idea of waiving the bill from committee. There had been an informal poll and some members had wanted the bill to come to the committee.

Representative Hannan supported the bill.

Co-Chair Josephson referenced the term statutory rape. He was curious about how the crimes would be indicted.

Mr. Skidmore replied that if there was a victim aged 16 or 17 with contact with a perpetrator with greater than a four year age difference, the court would have to work out how to deal with sexual abuse and sexual assault.

Co-Chair Josephson stated that section 1 and 2 were about withholding. He was trying to make a demarcation in his mind.

[3:05:17 PM](#)

Mr. Skidmore answered that the statute allowed to indict when there was a lack of intent, because the victim was not able to consent due to their age.

Co-Chair Josephson stated there were many important parts of the bill. He wondered if they bumped up 16 or 17 year olds under the theory that 17 year olds were more mature than 14 year olds. He asked if the age should be moved to five or 6 years.

[3:08:50 PM](#)

Representative Gray asked to hear from Brenda Stanfill with ANDVSA. He was not interested in criminalizing sex between

individuals within a reasonable age gap. He was interested in going after crime.

BRENDA STANFILL, DIRECTOR, ALASKA NETWORK ON VIOLENCE AND SEXUAL ASSAULT, responded that there had not been agreement on the four year difference. She noted that someone had been in the room who shared that when she was 17 her future husband was 24 and remarked that it was possible to look at a six year difference versus four. She felt that ten years was too much of a difference.

Representative Gray agreed. He heard what Ms. Stanfill was saying, but he was not comfortable with 10 years. He thought six years may be a reasonable accommodation.

Co-Chair Foster thanked the bill sponsor.

HB 101 was HEARD and HELD in committee for further consideration.

#hb28

HOUSE BILL NO. 28

"An Act establishing a student loan repayment pilot program; and providing for an effective date."

[3:14:53 PM](#)

Co-Chair Foster asked the sponsor to join the committee.

REPRESENTATIVE ANDI STORY, SPONSOR, introduced the bill with prepared remarks:

Thank you for hearing HB 28, Student Loan Repayment Program. This bill seeks to help address Alaska's outmigration problem and our high employee vacancy rates for teachers and state employees. According to the Depart of Labor data, Alaska has had 12 consecutive years with more residents leaving our great state than arriving. The data says we have about the same number of people leaving the state as before, BUT a significant number of people are not moving into the state as they once did. This is a problem as we are short on having certified teachers (600 teachers short this year). In addition, Alaska continues to have high vacancy rates in state employment. The state employee vacancy rates are hindering citizens from

receiving timely essential state services such as public assistance, ferry transportation, professional licensing, retirement benefits, payroll and more. Also, it is important to know that only 35 percent of residents who leave Alaska for postsecondary education outside of our state, return.

House Bill 28 seeks to incentivize in - migration through a postsecondary education loan repayment program and urges former Alaskan residents to "Come Back Home." That is what I have nicknamed this bill, "Come Back Home," to fill these essential state employee positions or teacher positions for our children.

Why it focuses on prior Alaskan residents is they already have established roots here. They have family and friends, a connection to this place and land, they are more likely to remain after receiving incentives like an employer-sponsored loan repayment program that this bill establishes. House Bill 28 sets up a pilot loan repayment program for up to 120 individuals that makes a payment to the person's student loan lending institution after they complete a year of work. The payment is \$8,000 per year, for three years for a total of \$24,000. The Student Loan Debt by State, from the U.S. Department of Education says Alaskans have a total of \$32,000 student loan debt on average. This bill reaches out to former residents who have traveled south for their higher education degrees or technical certificates or have completed their degree programs or certifications through the University of Alaska system and have moved and been out of the state for a year or more. I believe this is a positive pilot program to get 120 former Alaskans back living and working in our state.

The funding for this pilot program would come from the Alaska Higher Education Investment Fund (AHEIF). Kerry Thomas, Acting Executive Director from the Alaska Commission on Postsecondary Education (ACPE) is here to provide information about the loan repayment program vs. a loan forgiveness program that the state used to have, and to talk about the HEIF. ACPE would oversee this program.

Representative Story asked her staff to review the fiscal note [sectional analysis].

CHERIE BOWMAN, STAFF, REPRESENTATIVE ANDI STORY, reviewed the sectional analysis (copy on file):

Section 1: Adds a new section to the uncodified law creating a student loan repayment pilot program:

a) The program will be developed and administered by the Alaska Commission on Postsecondary Education. Subject to appropriation, the commission may award a grant to a person who:

- 1) applies not later than October 31, 2025;
- 2) is a full-time state employee or public school teacher;
- 3) has a degree or certificate from a higher education institution from outside Alaska;
- 4) was an Alaska resident for at least a year before attending the out-of-state institution;
- 5) or has completed a degree or certificate through the University of Alaska system and has resided outside of the state for 12 months or more prior to returning to Alaska to work as a full-time state employee or public school teacher;
- 6) owes payment on a student loan taken to obtain their degree or certificate.

b) The Commission will establish an application process, along with policies to determine the efficiency and success of the program in recruiting and retaining grant recipient employees with the state and school districts. The commission will report to the legislature yearly.

c) To participate, applicants may be required to refinance their existing student loans through the commission.

d) Grants awarded are only for full-time teachers or state employees, and payable only at the completion of a year of work.

e) Participants may receive a grant each year for a maximum of three years in an amount not to exceed \$8,000 per year. If the balance of the participant's outstanding loan is less than \$24,000, the grant will

be equal to one-third of the balance in each year of participation in the program.

f) Up to 125 grants will be awarded each fiscal year. The total dollar amount awarded may not exceed \$1,000,000 in a fiscal year. If the amount appropriated in a fiscal year is insufficient to meet the amounts awarded, the commission will reduce the amounts awarded.

Section 2: Adds a new section to the uncodified law requiring the commission to submit a report on December 21 of 2025, 2026, and 2027 that describes the effects of the pilot program on recruitment and retention of teachers and state employees. The last report will include an analysis of the overall success rate and effectiveness of the program.

Section 3: This bill sunsets on December 31, 2027.

Section 4: This Act takes effect immediately.

Co-Chair Foster wanted to move to invited testimony. He asked about the fiscal note.

Representative Story replied that Kerry Thomas would review the fiscal note.

RICARDO WORL, SELF, JUNEAU, introduced himself and read from prepared remarks:

I grew up in Juneau, graduated from West Anchorage HS in 1980 and earned my bachelor's degree from a small private school on the east coast in 1984. To cover tuition, room and board payments, my parents had to scrape up the cash every month. I applied for scholarships - which were fewer 40 years ago, and ultimately took on student loans like many college students. It wasn't until I graduated that I learned my parents liquidated assets and sold several significant art pieces from our home to ensure we could cover tuition.

When I finished college, I had about \$30,000 in student loans from the AK Commission on Postsecondary Education (ACPE). Many of my classmates from West HS also took advantage of the State's student loan

program. I can confidently say that the forgiveness clause absolutely swayed our decision to move back home. I came back to Alaska to pursue a profession in publishing and ultimately ended up with a career in non-profits, public service and serving our rural communities.

In two months I will be attending my 45 year high school reunion in Anchorage where I will catch up with other life-long Alaskans who chose to move back home and who were incentivized by the generous student loan forgiveness program.

I moved back home to Juneau 30 years ago and am aware of how significant the State of Alaska has been for employment opportunities in our state. I remain mindful of the challenges our state agencies face in recent years of trying to recruit and fill essential positions in education, public safety and marine transportation. I encourage this committee to support House Bill 28. This is a proven and effective recruitment tool to attract our young people back to Alaska and an incentive for them to seek a career within state government.

- Alaska students entering college in recent years were in our schools during a period where they were directly impacted by funding reductions - the loss of programs, teachers, and overcrowded classrooms

- Now that they are in college they have to hear more bad news as our country's ideology questions the validity of higher education, is holding funding for colleges (and now school districts) hostage if they don't eliminate diversity, equity and inclusion, and the worst is having to see classmates being investigated or taken from the street because of their opinions. All on top of everything costing more.

- Just this week, our families are adjusting to economic uncertainty as retirement accounts and investments lose value.

Let's give our students a little bit of good news. Let them know we are thinking about their futures and their economic wellbeing. HB 28 and the student loan

repayment program is a bright light and a clear message that we want to invest in their future.

Mr. Worl thanked the committee and expressed appreciation for their service to the state.

[3:27:22 PM](#)

Co-Chair Foster asked to hear from ACPE.

KERRY THOMAS, ACTING EXECUTIVE DIRECTOR, ALASKA COMMISSION OF POSTSECONDARY EDUCATION, DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT, shared that she was present to provide information about the bill and student loan repayment. She read from prepared remarks (copy on file):

I'm here to provide information about student loan repayment and House Bill 28, as well as the higher education investment fund as the funding source. Thank you for having me here today.

What is student loan repayment?

To provide background, student loan repayment is:

- An employer-sponsored benefit
- It's an agreement in which employer agrees to pay down an employee's student loan for fulfilling a set of terms established by of the employer.
- The employer determines the service requirement, frequency and loan repayment amount
- Any employer, private or public sector, can offer loan repayment.

Why is loan repayment better than loan forgiveness?

Loan repayment is vastly different from loan forgiveness. Loan forgiveness is when the state or federal government provides a student loan to attend a certain program of study and the student agrees to work in their field of study after graduation in return for the loan being forgiven. In Alaska, the WWAMI program is a well-known loan forgiveness program. Some of the benefits of loan repayment vs. loan forgiveness are:

- Loan repayment guarantees a return on the state's investment
- With loan repayment, public funds are going to degree holders contributing to the state's economic and social well being

- The cost of administering loan repayment programs are significantly lower than loan forgiveness programs
  - o Loan repayment does not involve costly loan servicing, collections or litigation activities when the recipients do not return to Alaska and work or do not repay their loans

Why is loan repayment good for employers and employees?

Student Loan Repayment Programs are growing as an employer tool to recruit and retain talented workers. Student loan repayment benefits both employers and employees:

- It reduces employee's financial stress by reducing or eliminating student loan debt while working
- It helps employers remain competitive in a tight labor market

Research shows student loan repayment programs:

- Enhances recruitment efforts - employers offering student loan repayment benefits are able to hire faster
  - o Employers offering student loan repayment hire 13 percent faster.
- Retain existing employees longer - American Student Assistance found employers offering repayment retain employees 36 percent longer.<sup>1</sup>

Loan Repayment and HB 28

The benefits of student loan repayment programs are well documented. Many state governments have shifted to offering student loan repayment in place of loan forgiveness programs to attract and retain talent in workforce shortage areas. (Texas, Mississippi, Pennsylvania are a few examples among many others).

- Alaskan postsecondary graduates carry an average of \$35,346 in student loan debt.
- According to recent surveys, 57 percent of employees say student loans are a major problem.
- 86 percent of employees say they will commit to work 5 years for a company helping to pay their loans.

Funding:

Funding for the student loan repayment pilot program created in HB 28 is from the Alaska Higher Education Investment Fund (AHEIF or HEIF) and totals approximately \$3M over three years.

In regards to the HEIF,

- The Department of Revenue is the investment manager for the AHEIF.
- ACPE administers three programs currently funded by the AHEIF:
  - o WWAMI Medical Education Program
  - o Alaska Performance Scholarship (APS)
  - o Alaska Education Grant (AEG)
- In addition to its role as administrator, ACPE also provides higher education policy information to the State of Alaska.
- Due to recent changes in the ACPE programs funded by the AHEIF, an additional \$1 million draw over the next three years for a total \$3 million draw from the AHEIF, will increase the likelihood that fund earnings cannot keep pace with spending from the fund.
  - o WWAMI is directly appropriated from the AHEIF, while the APS and AEG programs are subject to a maximum appropriation rate of 7 percent of the fund's beginning balance for the following fiscal year
  - o Recent program changes impacting AHEIF funding:
    - The WWAMI program funding increased by 50 percent starting in FY25 to \$5.1 million per year to accommodate 30 participants instead of 20.
    - Legislative changes to the APS program in FY24 resulted in expected APS and AEG program costs of \$25.5 million for FY26, which is 20 percent higher than was originally expected. AEG funding is tied to APS funding in statute, therefore expected program costs for FY26 increased. Since the changes to APS recently took place, it is unknown what the long-term impact to spending for this program will be.
    - Combined, expected expenditures from the AHEIF for WWAMI, APS and AEG have increased by approximately 30 percent between FY24 and FY26.
- Increasing AHEIF spending by \$1 million per year over three years to fund HB 28 would raise projected annual expenditures by 3 percent, further reducing fund value but not significantly altering long-term sustainability.

Summary:

- Student loan repayment programs are increasing in popularity and employers not offering these benefits may struggle to compete in the job market

- In 2021, 17 percent of employers offered student loan repayment. As of 2023, that number increased to 34 percent of employers.
- 42-55 percent of high school graduates attending college leave Alaska for postsecondary education and approximately 35 percent return; approximately 1200 to 1500 Alaskans leave each year and only 420 to 525 return. HB 28 provides an incentive to bring these Alaskans back to our state.

[3:34:57 PM](#)

Co-Chair Foster asked for a review of the fiscal note.

Ms. Thomas reviewed the fiscal note control code Ciavl with prepared remarks.

Co-Chair Foster thanked Ms. Thomas for her review.

HB 28 was HEARD and HELD in committee for further consideration.

Co-Chair Foster reviewed the schedule for the following day. He did not anticipate having the 9:00 a.m. meeting.

#

ADJOURNMENT

[3:38:53 PM](#)

The meeting was adjourned at 3:38 p.m.