

ALASKA STATE LEGISLATURE
SENATE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE

March 25, 2025

3:33 p.m.

MEMBERS PRESENT

Senator Forrest Dunbar, Chair
Senator Cathy Giessel, Vice Chair
Senator Matt Claman
Senator Löki Tobin
Senator Shelley Hughes

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

PRESENTATION(S): ALL ALASKA PEDIATRIC PATRNSERSHIP

- HEARD

SENATE JOINT RESOLUTION NO. 15

Calling on the state's congressional delegation to oppose cuts to federal spending on Medicaid.

- HEARD & HELD

SENATE CONCURRENT RESOLUTION NO. 2

Supporting an all-payer crisis continuum of care and Medicaid reform; and urging the Governor to direct the Department of Health and the division of insurance to develop recommendations for an all-payer model for crisis care.

- HEARD & HELD

SENATE BILL NO. 95

"An Act relating to the child care assistance program and the child care grant program; and providing for an effective date."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: SB 95

SHORT TITLE: CHILD CARE: ASSISTANCE/GRANTS
SPONSOR(s): HEALTH & SOCIAL SERVICES

02/12/25 (S) READ THE FIRST TIME - REFERRALS
02/12/25 (S) HSS, FIN
03/14/25 (S) PRIME SPONSOR CHANGED - SENATE HEALTH
AND SOCIAL
03/14/25 (S) SERVICES COMMITTEE REPLACED SENATE
RULES COMMITTEE
03/25/25 (S) HSS AT 3:30 PM BUTROVICH 205

BILL: SCR 2

SHORT TITLE: SUPPORT CRISIS CARE & MEDICAID REFORM
SPONSOR(s): HEALTH & SOCIAL SERVICES

03/12/25 (S) READ THE FIRST TIME - REFERRALS
03/12/25 (S) HSS, L&C
03/13/25 (S) HSS AT 3:30 PM BUTROVICH 205
03/13/25 (S) Heard & Held
03/13/25 (S) MINUTE (HSS)
03/25/25 (S) HSS AT 3:30 PM BUTROVICH 205

BILL: SJR 15

SHORT TITLE: OPPOSE MEDICAID CUTS
SPONSOR(s): HEALTH & SOCIAL SERVICES

03/19/25 (S) READ THE FIRST TIME - REFERRALS
03/19/25 (S) HSS
03/20/25 (S) HSS AT 3:30 PM BUTROVICH 205
03/20/25 (S) <Bill Hearing Canceled>
03/25/25 (S) HSS AT 3:30 PM BUTROVICH 205

WITNESS REGISTER

TAMAR BEN-YOSEF, Executive Director
All Alaska Pediatric Partnership
Anchorage, Alaska

POSITION STATEMENT: Co-presented Infant and Early Childhood
Mental Health in Alaska.

CARMEN WENGER, Director of Programs
All Alaska Pediatric Partnership
Anchorage, Alaska

POSITION STATEMENT: Co-presented Infant and Early Childhood
Mental Health in Alaska.

ARIELLE WIGGIN, Staff

Senator Forrest Dunbar
Alaska State Legislature

POSITION STATEMENT: Provided a brief overview of SJR 15 on behalf of the Senate Health and Social Services Standing Committee.

ANGELA KIMBALL, Chief Advocacy Officer
Inseparable
Alexandria, Virginia

POSITION STATEMENT: Testified by invitation on SJR 15.

THEA AGNEW BEMBEN, Special Assistant
Mayor Suzanne LaFrance,
Anchorage, Alaska

POSITION STATEMENT: Testified by invitation on SJR 15.

EDNA BEEBE, representing self
Eek, Alaska

POSITION STATEMENT: Testified by invitation on SJR 15.

LANCE JOHNSON, Chief Operating Officer (COO)
Alaska Behavioral Health Association
Talkeetna, Alaska

POSITION STATEMENT: Testified by invitation on SJR 15.

CARMEN WENGER, Director of Programs
All Alaska Pediatric Partnership
Anchorage, Alaska

POSITION STATEMENT: Testified by invitation on SJR 15.

ANGELA KIMBALL, Chief Advocacy Officer
Inseparable
Alexandria, Virginia

POSITION STATEMENT: Testified by invitation on SCR 2.

LANCE JOHNSON, Chief Operating Officer (COO)
Alaska Behavioral Health Association
Talkeetna, Alaska

POSITION STATEMENT: Testified by invitation on SJR 2.

TAMAR BEN-YOSEF, Executive Director
All Alaska Pediatric Partnership
Anchorage, Alaska

POSITION STATEMENT: Testified by invitation on SCR 2.

SONJA KAWASAKI, Senate Majority Legal Council
Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: Presented an overview of SB 95 and offered advice.

EVAN ANDERSON, Staff
Representative Zack Fields
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Answered questions and provided a sectional analysis for SB 95.

STEPHANIE BERGLUND, Chief Executive Officer (CEO)
Thread
Anchorage, Alaska

POSITION STATEMENT: Testified by invitation on SB 95.

JEN GRIFFIS, Vice President Policy and Advocacy
Alaska's Children Trust
Anchorage, Alaska

POSITION STATEMENT: Testified by invitation on SB 95.

ACTION NARRATIVE

[3:33:23 PM](#)

CHAIR DUNBAR called the Senate Health and Social Services Standing Committee meeting to order at 3:33 p.m. Present at the call to order were Senators Hughes, Giessel, Tobin, Claman, and Chair Dunbar.

PRESENTATION(S): INFANT AND EARLY CHILDHOOD MENTAL HEALTH IN ALASKA

[3:34:27 PM](#)

CHAIR DUNBAR announced the presentation Infant and Early Childhood Mental Health in Alaska by All Alaska Pediatric Partnership.

[3:34:55 PM](#)

TAMAR BEN-YOSEF, Executive Director, All Alaska Pediatric Partnership (A2P2), Anchorage, Alaska, Co-presented Infant and Early Childhood Mental Health (IECMH) in Alaska. She explained that they are presenting the Alaska Infant and Early Childhood Mental Health Needs Assessment, conducted in 2023-2024, which has recently been published and shared. She also noted that A2P2

is a statewide nonprofit dedicated to the health and wellness of Alaska's children and those who care for them.

[3:35:47 PM](#)

MS. BEN-YOSEF moved to slide 2, Partnerships, and stated that A2P2 has partnered with public and private sectors for 30 years. Since 2018, Help Me Grow Alaska has served over 5,000 families in 80 communities, primarily children ages 0-8, highlighting significant early childhood needs. She said the report aims to explain infant and early childhood mental health and why related funding issues cannot be addressed in isolation.

[3:37:26 PM](#)

MS. BEN-YOSEF moved to slide 3, Report Sections, and stated that the report provides an overview of infant and early childhood mental health, including current services in Alaska, workforce and professional development gaps, and funding. The report also places these issues within the broader early childhood system and concludes with recommendations.

[3:38:14 PM](#)

MS. BEN-YOSEF moved to slide 4, Project Overview and stated that the report was developed in collaboration with the Mental Health Trust and stakeholders to identify needs and opportunities to improve supports for pregnant mothers, infants, and early childhood mental health. Methods included analysis of statewide data, surveys of early childhood coaches and mental health consultants. Interviews and focus groups with state and program leaders were also used.

[3:39:07 PM](#)

MS. BEN-YOSEF moved to slide 5, Awareness of IECMH in Alaska, and noted that even pediatricians and policymakers have limited awareness of infant and early childhood mental health and the services it includes, which creates barriers for families seeking care. These services often support parents or providers rather than directly treating the child, and the relative newness of the term adds complexity to funding and system coordination.

[3:40:38 PM](#)

MS. BEN-YOSEF moved to slide 6, Defining Infant and Early Childhood Mental Health (IECMH), stated that infant and early childhood mental health refers to a young child's ability to form secure relationships, manage and express emotions, and learn and explore within the context of family, community, and culture. Infant and early childhood mental health encompasses

all factors that influence a child's development and engagement, including home and childcare environments and prenatal influences such as maternal mental health.

[3:41:40 PM](#)

MS. BEN-YOSEF moved to slide 7, IECMH Services and Supports in Alaska, and was asked a question.

[3:41:46 PM](#)

SENATOR TOBIN noted that understanding attachment is central to infant and early childhood mental health. She asked for examples to help explain how attachment affects foster children under age six and influences their long-term outcomes.

[3:42:29 PM](#)

CARMEN WENGER, Director of Programs, All Alaska Pediatric Partnership, Anchorage, Alaska, co-presented Infant and Early Childhood Mental Health in Alaska. She explained that infant and early childhood mental health is often described as early relational health, which focuses on how children form secure attachments with caregivers. She said these caregivers may include parents, relatives, childcare providers, or others, and strong early relationships help establish the foundation for secure attachments throughout life.

[3:44:14 PM](#)

MS. BEN-YOSEF gave an example of her children who behave well in school but act out at home because they feel safe and secure in that environment. For children in foster care who move frequently, the lack of stable attachments can prevent them from developing a safe place to regulate emotions, leading to exhaustion and behavioral challenges.

[3:46:00 PM](#)

MS. BEN-YOSEF continued discussing slide 7, IECMH Services & Supports in Alaska, and stated that IECMH services are offered across various early childhood settings, but availability and access are uneven statewide. Families often must advocate persistently for support, and those in crisis may forgo services due to long wait times and the stress of navigating the system.

[3:47:24 PM](#)

SENATOR CLAMAN asked what age is considered early childhood.

MS. BEN-YOSEF replied that prenatal to 8 years old is considered early childhood. She explained that frameworks for early childhood vary by age range, but focusing on prenatal to age

eight is important to support key transitions from infancy to early care and then into K-12. In Alaska, these transitions are often uneven, with gaps in service eligibility and data sharing that hinder continuity of support.

[3:49:43 PM](#)

MS. WENGER moved to slide 11, Recommendations, and stated that the needs assessment outlined six recommendations and cross-cutting themes. The first calls for a state-level position to coordinate infant and early childhood mental health services. The second focuses on public education to create shared understanding and language around infant mental health, helping caregivers recognize and seek support. The third emphasizes workforce training and professional development to ensure professionals can effectively support families, communicate consistently, and reduce provider stress and burnout.

[3:53:14 PM](#)

MS. WENGER said recommendations four and five focus on expanding the workforce to support infant and early childhood mental health, particularly through high-level consultation services that assist entire classrooms rather than individual children. She said access to these services is limited, and growing the behavioral health workforce with specialized training is essential to meet state plan goals, prevent future higher-level mental health needs, and ensure a strong continuum of care.

[3:55:26 PM](#)

MS. WENGER said that recommendation six emphasizes broad-based prevention by expanding access to early childhood services, including high-quality education, home visiting, and supports that promote both children's mental and behavioral health and caregiver wellness.

[3:56:06 PM](#)

MS. WENGER said since the needs assessment was released in August 2024, work has begun on several recommendations. Initiatives include a social marketing campaign, workforce training through the Preschool Development Grant to certify infant and early childhood mental health consultants, and a project to provide rural providers with access to professional guidance even if full consultation is unavailable

[3:57:58 PM](#)

MS. BEN-YOSEF moved to slide 12, System Coordination, and stated that the report was presented to raise awareness of infant and early childhood mental health and highlight the lack of a

coordinated system in Alaska. She said that infant mental health is integrated across the broader early childhood sector, connecting to childcare funding, workforce support, and prevention of child abuse. She said these all influence caregivers' ability to support children's learning and development.

[4:00:24 PM](#)

CHAIR DUNBAR asked whether A2P2 had collaborated with the Departments of Health and the Department of Family and Community Services. He asked whether those departments were receptive to A2P2's work and the report findings.

[4:00:54 PM](#)

MS. BEN-YOSEF replied that A2P2 partners closely with the Department of Health through contracts for programs like the Early Childhood Network and Home Visitors Alliance and receives some federal grant funding for Help Me Grow. However, upcoming cuts to prevention funds and broader crises in childcare and behavioral health make system coordination challenging, though there is strong agreement among partners on the need to better define and coordinate early childhood services in Alaska.

[4:02:51 PM](#)

SENATOR HUGHES asked how many employees are working for the organization.

[4:03:22 PM](#)

MS. BEN-YOSEF replied that A2P2 began as a hospital partnership addressing gaps in pediatric care and became a nonprofit in 2015. In 2016, they launched Help Me Grow Alaska, their first family service program, and have since expanded to a 15-person staff to meet the growing demand for services.

[4:04:52 PM](#)

CHAIR DUNBAR asked that the committee receive a copy of the full report.

SJR 15-OPPOSE MEDICAID CUTS

[4:04:55 PM](#)

CHAIR DUNBAR announced the consideration of SENATE JOINT RESOLUTION NO. 15 Calling on the state's congressional delegation to oppose cuts to federal spending on Medicaid.

[4:05:37 PM](#)

ARIELLE WIGGIN, Staff, Senator Forrest Dunbar, Alaska State Legislature, provided a brief overview of SJR 15 on behalf of the Senate Health and Social Services Standing Committee. She stated that SJR 15 opposes proposed federal Medicaid cuts, noting that over 250,000 Alaskans rely on Medicaid. She said Medicaid funds more than 40 percent of births in the state, and that such cuts would have severe economic and social impacts.

[4:07:03 PM](#)

ANGELA KIMBALL, Chief Advocacy Officer, Inseparable, Alexandria, Virginia, testified by invitation on SJR 15. She said congress is considering a Budget Reconciliation Act that would cut Medicaid, which would severely impact Alaska's mental health and substance abuse services. Medicaid currently covers over one in three children, supports foster care, and brings \$1.8 billion in federal funding annually for health and community services; reductions would strain providers, weaken services, and harm the state's economy and communities. She urged the committee to support SJR 15.

[4:09:20 PM](#)

THEA AGNEW BEMBEN, Special Assistant, Mayor Suzanne LaFrance, Anchorage, Alaska, testified by invitation on SJR 15. She stated that Mayor LaFrance's vision is to create a safe, healthy, and welcoming Anchorage where families want to stay and others want to move, helping address workforce challenges and strengthen the local economy. She listed all that is directly and indirectly supported by Medicaid. She said the City of Anchorage generates about 14.4 million in Medicaid receipts to support ambulance services at the fire departments. She said Medicaid is critical to this effort, supporting major healthcare employers, small businesses, early childhood investments, municipal health and safety programs, first responders, and the expansion of behavioral health crisis services essential to community well-being.

[4:13:20 PM](#)

EDNA BEEBE, representing self, Eek, Alaska, testified by invitation on SJR 15. She gave an example of having to care for her mom in a village that doesn't have a road system and the struggles to get to doctor appointments. She expressed concern regarding the challenges she will face if Medicaid is cut. She asked the committee to do whatever it takes to protect her elders by protecting Medicaid.

[4:16:26 PM](#)

LANCE JOHNSON, Chief Operating Officer (COO), Alaska Behavioral Health Association, Talkeetna, Alaska, testified by invitation on SJR 15. He argued that proposed federal Medicaid cuts would be catastrophic for Alaska, where nearly 280,000 residents rely on the program, almost half of them children. Medicaid supports infant and maternal health, early intervention, physical and behavioral health care, foster care and OCS services, corrections, homelessness response, and long-term care through home- and community-based services. He said Medicaid is a primary funding source for major hospitals and clinics and the largest payer of behavioral health services.

[4:21:53 PM](#)

MR. JOHNSON stated that significant cuts would force providers to close, increase emergency room use, homelessness, recidivism, and untreated mental illness, reduce the health care workforce, and seriously damage Alaska's economy and health care system.

[4:22:32 PM](#)

CARMEN WENGER, Director of Programs, All Alaska Pediatric Partnership, Anchorage, Alaska, testified by invitation on SJR 15. She stated that A2P2 has worked for three decades to strengthen Alaska's health care system through initiatives such as pediatric subspecialty care, school-based health clinics, and Help Me Grow Alaska, many of which rely on Medicaid funding. She said Medicaid supports Alaska's ability to develop innovative, child-focused health solutions and plays a critical role in whether families can access and remain connected to services. She said that disruptions to Medicaid, even short term, would negatively alter children's long-term health and mental health outcomes, weaken the state's health care infrastructure, and limit Alaska's ability to build a strong, sustainable workforce for the future.

[4:25:16 PM](#)

SENATOR TOBIN referenced SJR 15, page 2, lines 12-14, and stated that Medicaid coverage for eligible Alaska native and American Indian beneficiaries is funded at a 100 percent federal match. She asked whether the impacts of proposed Medicaid cuts on those individuals and services are clearly articulated and addressed.

CHAIR DUNBAR replied that 36 percent of Medicaid enrollees are Alaska Native. He said those beneficiaries are covered at a 100 percent federal match with no state cost, making the program particularly beneficial to Alaska, and noted that this could be highlighted in the language.

[4:26:29 PM](#)

SENATOR HUGHES said a testifier mentioned a \$880 billion restructuring reduction while SJR 15, line 29, says a reduction of \$2 trillion over 10 years.

[4:27:06 PM](#)

CHAIR DUNBAR said he will verify whether the figure is \$880 billion or \$2 trillion, as the difference may reflect varying timeframes.

[4:27:10 PM](#)

CHAIR DUNBAR held SJR 15 in committee.

SCR 2-SUPPORT CRISIS CARE & MEDICAID REFORM

[4:27:23 PM](#)

CHAIR DUNBAR announced the consideration of SENATE CONCURRENT RESOLUTION NO. 2 Supporting an all-payer crisis continuum of care and Medicaid reform; and urging the Governor to direct the Department of Health and the division of insurance to develop recommendations for an all-payer model for crisis care.

[4:28:19 PM](#)

ANGELA KIMBALL, Chief Advocacy Officer, Inseparable, Alexandria, Virginia, testified by invitation on SCR 2. She stated that the legislation requests that the governor direct the Department of Health and the Division of Insurance to collaborate with legislators, stakeholders, and public and private payers to develop recommendations for a peer-model approach to mental health emergency services. This approach would streamline billing, reduce inefficiencies, and support flexible solutions for Alaska communities. Currently, most emergency services, whether covered by commercial insurance, Medicare, or Medicaid, are supported by all payers, making these services sustainable. SCR 2 aims to extend the same model to mental health emergencies. Over the years, Alaska has built a comprehensive continuum of mental health crisis services, including crisis call lines, mobile crisis teams, 23-hour crisis stabilization centers, and short-term crisis residential centers. These services save lives, help individuals begin recovery, keep communities safer, and reduce expensive demands on emergency departments and hospitals. SCR 2 provides a practical path to sustain and strengthen this continuum, and support for the resolution is encouraged.

[4:31:09 PM](#)

LANCE JOHNSON, Chief Operating Officer (COO), Alaska Behavioral Health Association, Talkeetna, Alaska, testified by invitation on SCR 2. He clarified numbers for SJR 15. He stated that Alaska has made progress in developing a crisis continuum of care, including mobile crisis teams and multi-partner response systems, which are effective in keeping people safe. However, Medicaid reimbursement rates are low, with only a 9 percent increase over two years, making these services financially unsustainable. He said insurance companies, which must comply with federal parity under the Mental Health Parity and Addiction Equity Act, are not consistently covering behavioral health crisis services, including transportation for mental health emergencies, while medical emergencies are covered. He said to sustain Alaska's crisis care system, insurance companies must share costs and be held accountable for adhering to parity rules. Passing SCR 2 is a start, but further legislation is needed to align insurance coverage with federal standards and ensure continued access to crisis and substance use services.

[4:36:25 PM](#)

TAMAR BEN-YOSEF, Executive Director, All Alaska Pediatric Partnership, Anchorage, Alaska, testified by invitation on SCR 2. She noted that Alaska has made progress under the 1115 Medicaid waiver, including support for mobile crisis teams. However, low reimbursement rates create gaps in access and are unsustainable for providers. She said children, especially in foster care, often remain in adult behavioral health wards due to a lack of crisis care options. While Alaska's fee-for-service Medicaid is exempt from federal parity rules, the state could add parity protections. Passing this resolution is critical, as the private sector alone cannot fill these gaps and adequate Medicaid support is essential to achieve the governor's vision of a safe, affordable, and family-friendly Alaska.

[4:38:57 PM](#)

At ease.

[4:39:27 PM](#)

CHAIR DUNBAR reconvened the meeting and held SCR 2 in committee.

SB 95-CHILD CARE: ASSISTANCE/GRANTS

[4:39:39 PM](#)

CHAIR DUNBAR announced the consideration of SENATE BILL NO. 95 "An Act relating to the child care assistance program and the child care grant program; and providing for an effective date."

[4:40:26 PM](#)

SONJA KAWASAKI, Senate Majority Legal Council, Alaska State Legislature, Juneau, Alaska, presented an overview of SB 95 and offered advice. She stated that the legislation would reenact certain provisions of Senate Bill 189 (2024) related to child care assistance, providing a procedural fix to ensure the program remains in effect regardless of a pending lawsuit. The lawsuit challenges Senate Bill 189 under Alaska's single-subject rule, art. II, sec. 13, Constitution of the State of Alaska, but reenacting the provisions would give the child care assistance program a separate statutory existence and could render the lawsuit moot. The case is currently in motion, with the plaintiff having filed for summary judgment and the court awaiting a response.

CHAIR DUNBAR asked if the committee passes SB 95 without amendments, will it strengthen the case for mootness, and would amending it weaken that effort.

[4:42:55 PM](#)

MS. KAWASAKI replied that enacting SB 95 in the same form as the relevant parts of Senate Bill 189 would allow the lawsuit parties to present clear arguments and enable the court to more efficiently determine mootness.

[4:43:22 PM](#)

SENATOR HUGHES asked whether alternating between "child care" and "day care" in SB 95 creates any issues or affect the lawsuit.

[4:43:45 PM](#)

MS. KAWAKSAI deferred the question to Mr. Anderson.

[4:43:54 PM](#)

EVAN ANDERSON, Staff, Representative Zack Fields, Alaska State Legislature, Juneau, Alaska, answered questions and provided a sectional analysis for SB 95. He replied that the bill intentionally reenacts former statutes, alternating between "day care" and "child care," as a repeated mechanism to implement the legislative changes.

[4:44:35 PM](#)

SENATOR HUGHES asked if the definition of child care in SB 95, Section 28, is narrow enough.

[4:45:15 PM](#)

SENATOR TOBIN stated that a previously released legal memo helped clarify the definition of child care, though it may not be included in the current bill packet.

[4:45:38 PM](#)

SENATOR HUGHES asked if the definition was adequate.

[4:45:44 PM](#)

SENATOR TOBIN replied in the affirmation.

[4:46:05 PM](#)

MR. ANDERSON paraphrased the sectional analysis for SB 95:

[Original punctuation provided.]

Section 1. Amends AS 47.05.030(a). This is a conforming change.

Section 2. Amends AS 47.05.030(a). Corrects the terminology in existing statute from "day care" to "child care."

Section 3. Amends AS 47.05.085(a). This is a conforming change.

Section 4. Amends AS 47.05.085(a). Corrects the terminology in existing statute from "day care" to "child care."

Section 5. Amends AS 47.25.001(a). This is a conforming change.

Section 6. Amends AS 47.25.001(a). Changes the maximum monthly household income for eligibility to 105 percent of the Alaska Median Income, adjusted for family size. Also replaces "day care" with "child care."

Section 7. Amends AS 47.25.011. This is a conforming change.

Section 8. Amends AS 47.25.011. Corrects the terminology in existing statute from "day care" to "child care."

Section 9. Amends AS 47.25.021. This is a conforming change.

Section 10. Amends AS 47.25.021. Corrects the terminology in existing statute from "day care" to "child care."

Section 11. Amends AS 47.25.031. This is a conforming change.

Section 12. Amends AS 47.25.031. Corrects the terminology in existing statute from "day care" to "child care."

Section 13. Amends AS 47.25.041. This is a conforming change.

[4:47:04 PM](#)

MR. ANDERSON continued with the sectional analysis for SB 95:

Section 14. Amends AS 47.25.041. Establishes that the parent or guardian contribution rate for child care shall not exceed 7 percent of the family monthly income.

Section 15. Amends AS 47.25.051(a). This is a conforming change.

Section 16. Amends AS 47.25.051(b). Corrects the terminology in existing statute from "day care" to "child care."

Section 17. Amends AS 47.25.071(b). This is a conforming change.

Section 18. Amends AS 47.25.071(b). Corrects the terminology in existing statute from "day care" to "child care."

Section 19. Amends AS 47.25.051. Requires the Department to procure a cost-of-care study to set subsidy rates.

Section 20. Amends AS 47.25.071(b). This is a conforming change.

Section 21. Amends AS 47.25.071(b). Sets a designation as a "quality child care facility" as the minimum standard for the Department to issue grants. Also corrects the terminology in existing statute from "day care" to "child care."

Section 22. Amends AS 47.25.071(g). This is a conforming change

Section 23. Amends AS 47.25.071(g). Requires prioritization of children from low-income families when filling available spaces in the facility.

Section 24. Amends AS 47.25.071(h). This is a conforming change

Section 25. Amends AS 47.25.071(h). Directs the department to promulgate regulations for criteria used to designate a facility as "quality."

[4:48:19 PM](#)

MR. ANDERSON continued with the sectional analysis for SB 95:

Section 26. Amends AS 47.25.071. Allows the Department to provide grants to the highest-performing and highest-quality child care facilities in the state,

and prohibits a child care facility receiving state grants from denying a child acceptance based on disability or socioeconomic status.

Section 27. Amends AS 47.25.095(2). This is a conforming change.

Section 28. Amends AS 47.25.095(2). Adds a definition of "child care."

Section 29. Amends AS 47.25.095(3). Updates the definition of "child care facility" to include "day care."

Section 30. Amends AS 47.25.095(3). Updates the definition of "child care facility" to include establishments recognized by the federal government for the care of children.

Section 31. Amends AS 47.25.095. This is a conforming change.

Section 32. Repeals Section 31. This is a conforming change

Section 33. This is a conforming change.

Section 34. Repeals uncodified law associated with the passage of SB 189 from the 33rd Session. This is a conforming change.

Section 35. Codifies that the Department shall receive federal approval for the state plan for the child care assistance program.

Section 36. Sets a retroactive effective date to July 23, 2024.

Section 37. Sets an effective date for Section 6 as January 1, 2026, pending approval by the U.S. Department of Health and Human Services.

Section 39. All other sections of the bill take effect immediately.

[4:49:31 PM](#)

STEPHANIE BERGLUND, Chief Executive Officer (CEO), Thread, Anchorage, Alaska, testified by invitation on SB 95 and read the following:

[Original punctuation provided.]

Thank you Mr. Chair and members of the committee for hearing SB 95.

My name is Stephanie Berglund, CEO of Thread- Alaska's Child Care Resource and Referral organization. Thread is a 39-year-old nonprofit, providing services statewide to strengthen access to affordable and high-quality early childhood education, with focus on child

care. We serve more than 10,000 families, 2,000 early educators, and over 400 early childhood education programs each year.

[4:49:57 PM](#)

MS. BERGLUND continued with her testimony of SB 95:

Today I am testifying on behalf of Thread but want to share that we are also proud members of the Alaska Early Childhood Advocacy Group in support of SB 95. The Alaska Early Childhood Advocacy Group is a group of nine non-profits from across the state that have joined together to advocate for increased investment and improved policies to support Alaska's children and families.

The child care sector is fragile. It's long been a sector with institutional deficiencies- for decades but has seen increased challenges over the last five years.

Since 2020, we have seen over 25 percent of the licensed child care programs close across the state and of those that are open, they are not able to serve all the children they would like due to staff shortages. Thread anticipates more child care programs closing if we do not see sustainable and meaningful investment from the state for child care. The child care workforce is struggling due to low wages and few benefits at the same time when there is high competition for qualified workers in Alaska. Currently, fewer families can access affordable and quality child care services than ever before.

When we don't have a strong child care sector, we see our economic infrastructure struggle. Businesses are not able to recruit and retain quality employees and families are not able to participate in the workforce as they want. Our most recent research and data conducted in partnership with the Alaska Chamber and the McKinley Group has shown that businesses are greatly impacted by families struggling with child care- including poor attendance and loss in productivity. Child care challenges for working families resulting in absences and employee turnover cost businesses an estimated \$152M/annually. When Alaskans can't work, they don't have the financial

security to support their families, they aren't able to achieve their self-sufficiency goals and aren't able to contribute to the economy. This not only stifles the quality of life for families, but this also stalls Alaska's growth.

[4:51:51 PM](#)

MS. BERGLUND continued with her testimony of SB 95:

SB95 adds needed support for child care and strengthens the child care assistance and subsidy programs. While there are many areas of the child care system that need support, SB95 aims to strengthen child care assistance by allowing more families (earning up to the 105 percent of median household income) to participate in the program and creating flexibility in child care resources with aim to support child care programs with the targeted supports they need.

Changes in child care assistance are needed. Currently, too few families participate in the program as they don't qualify or can't access resources under the current structure. Families utilizing child care assistance pay a co-pay for services in addition to the cost differential of tuition fees.

These and other barriers are impacting family's ability to participate in the workforce. Just over half of families (51 percent) report that household members' ability to be employed or work more hours was impacted by quality, availability, or cost of child care. This is a large change from the same survey conducted in 2019, where only 22 percent of families surveyed reported that child care barriers are impacting their ability to be employed or work as much as they would like. This is a 29 percent increase in families not able to work due to child care. These findings underscore the need for child care change to strengthen our collective workforce and economy. This bill would also create a program to partner with businesses to create incentives and support them with developing onsite or near site child care.

[4:53:18 PM](#)

MS. BERGLUND continued with her testimony of SB 95:

[Original punctuation provided.]

One lever of change is through SB95 and increasing Child Care Assistance access and capping copayments required for families. This bill will allow more families to qualify and thus allow more families access to quality child care.

Additionally, child care businesses are currently reimbursed at child care assistance program rates set by a market rate survey that is based on the amount child care businesses charge for care, not what it actually costs to provide quality care and education. This creates an unstable foundation for the child care system. Thread encourages policy makers to keep moving toward the true cost of care to be used in conjunction with market rate prices in policy and fiscal planning for child care supports. Considering the true cost of providing child care in our policies will inform a more stable child care system.

SB95 is a great and necessary step for supporting family's affordability.

Thread is endorsing SB95 as it is a key step toward more affordable access to care for families. Thread encourages legislators to consider and pass this bill this session as it was already passed with strong support last session. This positive change for the child care sector cannot come soon enough.

I appreciate the sponsor for bringing this bill forward and thank the chair and committee for considering this bill.

Thank you for the opportunity to testify and thank you for your time and support for the young children and families in Alaska.

[4:54:58 PM](#)

JEN GRIFFIS, Vice President, Policy and Advocacy, Alaska's Children Trust, Anchorage, Alaska, testified by invitation on SB 95. She read the following:

[Original punctuation provided.]

As the statewide lead organization focused on the prevention of child abuse and neglect, ACT supports policies that increase economic security for families and provide foundational early education support for children. Senate Bill 95 does both by increasing access to quality, affordable child care for Alaska's families.

As you know, the policies in SB95 were originally found in HB89, which passed the legislature last May as part of SB189. My task today is to walk the committee through the legislative process of this bill over the past two years.

Early childhood advocates, including the nine member organizations of the Alaska Early Childhood Advocacy Group, as well as representatives from the business community and the administration, worked closely with legislators on the development and passage of HB89 during the last legislative session.

HB89 was sponsored by Rep. Julie Coulombe and had 15 co-sponsors, including members from both the majority and minority caucuses. It also had the strong support of advocates including Alaska Children's Trust, thread, Alaska Chamber of Commerce and child care and after school providers from across the state.

The bill had two hearings in the House Health and Social Services committee in March and April of 2023 and was moved out of committee with unanimous Do Pass recommendations. It received one hearing in House Finance before the end of the session.

The sponsor met with the administration and advocates during the interim and information from those meetings was incorporated into an updated version of the legislation which was introduced in House Finance at the beginning of the 2024 session.

[4:56:38 PM](#)

MS. GRIFFIS continued with her testimony of SB 95:

In January and February of 2024 the legislation, the legislation was heard in House Finance where it passed out of committee, where it quickly moved to the House floor and passed the House 35 to 5 on February 28, 2024.

After being introduced in the Senate, the legislation was heard in Senate Health and Social Services three times in March and April where it received some amendments before being moved out of committee. The

bill was then referred to Senate Finance, where it received one hearing.

On the final day of the session May 15 2024 the language from HB89 was amended into SB189 on the floor of the House. This bill passed the House 33 to 7, was transmitted to the Senate and passed the Senate 17 to 3. It was not vetoed by the Governor and became law on October 9, 2024. The funding in the fiscal note was included in the Governor's budget that was released in December 2024.

Alaska Children's Trust, along with our partner organizations in the Alaska Early Childhood Advocacy Group, remain supportive of the policies of HB89 which are now represented in SB95. We appreciate the opportunity to share more about this legislation and are happy to answer any questions.

[4:58:10 PM](#)

CHAIR DUNBAR held SB 95 in committee.

[4:58:35 PM](#)

There being no further business to come before the committee, Chair Dunbar adjourned the Senate Health and Social Services Standing Committee meeting at 4:48 p.m.