

**From:** [Susan A](#)  
**To:** [Senate State Affairs](#)  
**Subject:** PUBLIC TESTIMONY ON CSHB 75(STA)  
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## PUBLIC TESTIMONY ON CSHB 75(STA)

To: Alaska House State Affairs Committee  
Subject: Opposition to CSHB 75(STA) unless Amended  
Date: May 8, 2025

### I. Introduction

My name is Susan Allmeroth, and I am testifying today in opposition to CSHB 75(STA) in its current form. While the bill appears administrative, it conceals critical expansions of state control over Alaskans' privacy, mobility, and access to the Permanent Fund Dividend (PFD). It requires substantial amendments to protect civil liberties, prevent economic harm, and uphold constitutional principles.

### II. Key Legal and Ethical Concerns

#### 1. Background Check Expansion (Section 1)

Concern: Expands criminal history record checks for employees involved in PFD administration without defining scope, limits, or appeal.

Constitutional Risk: Violates Article I, Section 22 (Right to Privacy) and raises Title VII employment discrimination concerns under federal law.

Hidden Agenda: Could screen for political beliefs or disqualify people with minor records unrelated to job duties.

Fix:

Limit checks to felony convictions directly related to job function.

Add due process protections and a public grievance procedure for applicants denied due to background check.

#### 2. Restrictive Absentee Eligibility Rules (Section 2)

Concern: Overly tight restrictions on allowable absences limit access for:

Alaska Natives with extended family ties across borders

Seasonal workers

Students and military families

Violation: May infringe on equal protection (Article I, Section 1) and disproportionately harm rural, Native, and military residents.

Fix:

Add culturally and economically relevant allowable absences (e.g., seasonal hunting, subsistence, cultural obligations).

Guarantee that military families, university students, and medical evacuees retain eligibility.

Create a hardship waiver process with community input.

### 3. Electronic Notice and Debt Seizure Expansion

Concern: Allows state or private debt collectors to garnish PFDs through automated systems without proper notice or appeal.

Constitutional Risk: May violate due process (Article I, Section 7) and disproportionately harm those living in poverty.

Hidden Agenda: Converts PFD into a state-controlled debt enforcement tool.

Fix:

Require certified mail and multiple notifications before any garnishment.

Provide free legal consultation access for low-income recipients before collection.

Cap garnishments at 25% of the PFD, in line with federal wage garnishment laws.

### 4. Confidentiality Clause

Concern: Language is vague and may limit public access to systemic information about eligibility denials, demographic impact, or discrimination.

Risk: Undermines transparency and public accountability.

Fix:

Clarify that confidentiality protections do not limit aggregate reporting, civil rights complaints, or whistleblower disclosures.

Add independent oversight by the Ombudsman or Public Advocate.

### 5. Potential for Privatization and Outsourcing

Concern: Increased administrative burden and complexity may lead to outsourcing of PFD eligibility or data processing, often to politically connected firms.

Project 2025 Alignment: Consistent with privatization aims that undermine public control.

Fix:

Add language prohibiting privatization of core PFD functions.

Require that all contracts related to PFD processing be subject to public RFP and legislative oversight.

### III. Broader Recommendations

Create a PFD Oversight Council with public, tribal, and nonprofit representation to monitor eligibility decisions, data privacy, and complaints.

Mandate an Equity Impact Statement for all changes to the PFD program.

Freeze implementation of any electronic garnishment or background expansion until reviewed by Alaska Supreme Court or Legislative Legal.

### IV. Conclusion

CSHB 75(STA) is not a simple housekeeping bill — it is a subtle restructuring of Alaska's most important civic benefit. If passed without amendments, it could reduce access, increase surveillance, and entrench economic inequality. I urge this committee to amend the bill to uphold constitutional protections and restore trust in state governance.

### REFERENCES

Alaska State Constitution. (1959).

Alaska Stat. § 43.23 – Permanent Fund Dividend Program.

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National Consumer Law Center. (2022). Debt Collection and Garnishment Practices Report.

Thank you for your time and consideration  
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Two Rivers