

ALASKA STATE LEGISLATURE
HOUSE STATE AFFAIRS STANDING COMMITTEE

April 17, 2001

8:05 a.m.

MEMBERS PRESENT

Representative John Coghill, Chair
Representative Jeannette James
Representative Hugh Fate
Representative Gary Stevens
Representative Peggy Wilson
Representative Harry Crawford
Representative Joe Hayes

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

CS FOR SENATE BILL NO. 65(FIN)

"An Act requiring a study regarding equal pay for equal work of certain state employees."

- RESCINDED ACTION OF 4/12/01; MOVED CSSB 65(FIN) FROM
COMMITTEE

HOUSE BILL NO. 42

"An Act relating to the consumption, purchase, furnishing, delivery, offer for sale, and sale of alcoholic beverages and to driver's licenses and identification cards used to purchase alcoholic beverages."

- HEARD AND HELD

HOUSE BILL NO. 242

"An Act relating to reemployment of and medical benefits for retired members of the teachers' retirement system and public employees' retirement system; relating to the inclusion of cost-of-living differentials on compensation and benefits under the public employees' retirement system; and providing for an effective date."

- MOVED HB 242 FROM COMMITTEE

SPONSOR SUBSTITUTE HOUSE JOINT RESOLUTION NO. 14
Proposing amendments to the Constitution of the State of Alaska
relating to the Alaska permanent fund.

- SCHEDULED BUT NOT HEARD

HOUSE JOINT RESOLUTION NO. 23
Advocating the retention of the electoral college system in its
present form.

- SCHEDULED BUT NOT HEARD

PREVIOUS ACTION

BILL: SB 65

SHORT TITLE: PAY EQUITY FOR STATE EMPLOYEES

SPONSOR(S): SENATOR(S) DONLEY

Jrn-Date	Jrn-Page		Action
02/01/01	0246	(S)	READ THE FIRST TIME - REFERRALS
02/01/01	0246	(S)	STA, FIN
02/08/01	0313	(S)	COSPONSOR(S): WARD
02/09/01	0327	(S)	COSPONSOR(S): COWDERY
02/13/01		(S)	STA AT 3:30 PM BELTZ 211
02/13/01		(S)	Moved Out of Committee MINUTE(STA)
02/14/01	0367	(S)	STA RPT 4DP 1NR
02/14/01	0367	(S)	DP: THERRIAULT, HALFORD, PEARCE, DAVIS;
02/14/01	0367	(S)	NR: PHILLIPS
02/14/01	0367	(S)	FN1: (ADM)
02/14/01	0374	(S)	COSPONSOR(S): DAVIS, ELLIS, THERRIAULT,
02/14/01	0374	(S)	ELTON, LINCOLN
02/23/01		(S)	FIN AT 9:00 AM SENATE FINANCE 532
02/26/01		(S)	FIN AT 9:00 AM SENATE FINANCE 532
02/26/01		(S)	Heard & Held MINUTE(FIN)
03/09/01		(S)	FIN AT 9:00 AM SENATE FINANCE 532
03/09/01		(S)	Bills Previously Heard/Scheduled
03/13/01	0633	(S)	FIN RPT CS 4DP 5NR NEW TITLE

03/13/01	0633	(S)	DP: DONLEY, KELLY, WILKEN, WARD;
03/13/01	0633	(S)	NR: GREEN, AUSTERMAN, HOFFMAN, OLSON,
03/13/01	0633	(S)	LEMAN
03/13/01	0633	(S)	FN1: (ADM)
03/13/01		(S)	FIN AT 9:45 AM SENATE FINANCE 532
03/13/01		(S)	Moved CS(FIN) Out of Committee
03/13/01		(S)	MINUTE(FIN)
03/20/01		(S)	RLS AT 10:45 AM FAHRENKAMP 203
03/20/01		(S)	MINUTE(RLS)
03/22/01		(S)	RLS AT 10:45 AM FAHRENKAMP 203
03/22/01		(S)	MINUTE(RLS)
03/22/01		(S)	MINUTE(RLS)
03/23/01	0784	(S)	RULES TO CALENDAR 3/23/01
03/23/01	0784	(S)	FN2: (S.RLS/ADM)
03/23/01	0787	(S)	READ THE SECOND TIME
03/23/01	0787	(S)	FIN CS ADOPTED UNAN CONSENT
03/23/01	0787	(S)	COSPONSOR(S): PEARCE
03/23/01	0787	(S)	ADVANCED TO THIRD READING UNAN CONSENT
03/23/01	0787	(S)	READ THE THIRD TIME CSSB 65(FIN)
03/23/01	0788	(S)	PASSED Y17 N1 E2
03/23/01	0792	(S)	TRANSMITTED TO (H)
03/23/01	0792	(S)	VERSION: CSSB 65(FIN)
03/26/01	0721	(H)	READ THE FIRST TIME - REFERRALS
03/26/01	0721	(H)	STA, FIN
03/26/01	0737	(H)	CROSS SPONSOR(S): KERTTULA
04/06/01	0891	(H)	CROSS SPONSOR(S): FATE
04/09/01	0912	(H)	CROSS SPONSOR(S): GUESS, MCGUIRE
04/12/01	0996	(H)	CROSS SPONSOR(S): WILSON, STEVENS
04/12/01		(H)	STA AT 8:00 AM CAPITOL 102
04/12/01		(H)	Moved CSSB 65(STA) Out of Committee
			MINUTE(STA)
04/17/01	1013	(H)	STA RPT 6DP
04/17/01	1013	(H)	DP: WILSON, STEVENS, CRAWFORD,
04/17/01	1013	(H)	JAMES, HAYES, FATE

04/17/01 1013 (H) FN2: (S.RLS/ADM)
04/17/01 (H) STA AT 8:00 AM CAPITOL 102

BILL: HB 42

SHORT TITLE: PRIVILEGE TO PURCHASE ALCOHOL/I.D. CARDS

SPONSOR(S): REPRESENTATIVE(S) GREEN

Jrn-Date	Jrn-Page		Action
01/10/01	0049	(H)	READ THE FIRST TIME - REFERRALS
01/10/01	0049	(H)	STA, JUD, FIN
04/10/01		(H)	STA AT 8:00 AM CAPITOL 102
04/10/01		(H)	Scheduled But Not Heard
04/17/01		(H)	STA AT 8:00 AM CAPITOL 102

BILL: HB 242

SHORT TITLE: TRS & PERS REEMPLOY & MED BENEFITS; COLA

SPONSOR(S): REPRESENTATIVE(S) KOTT

Jrn-Date	Jrn-Page		Action
04/10/01	0929	(H)	READ THE FIRST TIME - REFERRALS
04/10/01	0929	(H)	STA, FIN
04/17/01	1012	(H)	STA AT 8:00 AM CAPITOL 102

WITNESS REGISTER

RYNNIEVA MOSS, Staff
to Representative Coghill
Alaska State Legislature
Capitol Building, Room 120
Juneau, Alaska 99801
POSITION STATEMENT: Testified on SB 65.

SENATOR DAVE DONLEY
Alaska State Legislature
Capitol Building, Room 508
Juneau, Alaska 99801
POSITION STATEMENT: Testified as sponsor of SB 65.

JEFF LOGAN, Staff
to Representative Green
Alaska State Legislature
Capitol Building, Room 403
Juneau, Alaska 99801

POSITION STATEMENT: Testified on behalf of Representative Green, sponsor of HB 42.

REPRESENTATIVE JOE GREEN
Alaska State Legislature
Capitol Building, Room 403
Juneau, Alaska 99801

POSITION STATEMENT: Testified as sponsor of HB 42.

JENNIFER RUDINGER, Executive Director
Alaska Civil Liberties Union
P.O. Box 201844
Anchorage, Alaska 99520-1844

POSITION STATEMENT: Testified in opposition to HB 42.

ALVIA S DUNNAGAN, Lieutenant
Department Of Public Safety
Division of State Troopers
5700 East Tudor Road
Anchorage, Alaska 99507

POSITION STATEMENT: Testified on HB 42.

MARY MARSHBURN, Director
Division of Motor Vehicles
Department of Administration
3300B Fairbanks Street
Anchorage, Alaska 99503

POSITION STATEMENT: Testified on HB 42.

BLAIR McCUNE, Deputy Director
Public Defender Agency
Department of Administration
900 West Fifth Street
Anchorage, Alaska 99501-2090

POSITION STATEMENT: Testified on HB 42.

DOUGLAS B. GRIFFIN, Director
Alcoholic Beverage Control Board
Department of Revenue
550 West Seventh Street, Suite 540
Anchorage, Alaska 99501-3510

POSITION STATEMENT: Testified on HB 42.

ROGER WORTMAN, Staff
to Representative Pete Kott
Alaska State Legislature
Capitol Building, Room 204

Juneau, Alaska 99801

POSITION STATEMENT: Testified on behalf of Representative Kott, sponsor of HB 242.

GUY BELL, Director

Division of Retirement and Benefits

Department of Administration

P.O. Box 110203

Juneau, AK 99811-0203

POSITION STATEMENT: Testified on HB 242.

VERNON MARSHALL, Executive Director

National Education Association - Alaska

114 Second Street

Juneau, Alaska 99801

POSITION STATEMENT: Testified on HB 242.

BRUCE JOHNSON, Deputy Commissioner of Education

Department of Education and Early Development

801 West Tenth Street, Suite 320

Juneau, Alaska 99801-1894

POSITION STATEMENT: Testified in favor of HB 242.

ACTION NARRATIVE

TAPE 01-40, SIDE A

Number 0001

ACTING CHAIR HUGH FATE called the House State Affairs Standing Committee meeting to order at 8:05 a.m. Representatives Fate, Stevens, Wilson, Crawford, and Hayes were present at the call to order. Representatives Coghill and James arrived as the meeting was in progress.

ACTING CHAIR FATE explained that Chair Coghill had been detained coming back from Fairbanks the previous night.

SB 65-STUDY OF PAY EQUITY FOR STATE EMPLOYEES

ACTING CHAIR FATE announced that the first order of business would be CS FOR SENATE BILL NO. 65(FIN), "An Act requiring a study regarding equal pay for equal work of certain state employees." He reminded the committee that CSSB 65(FIN) is a fairly simple bill that was amended to include "race" at the last meeting. The [Legislative Legal Division] has issued an opinion that including race in what is basically a gender bill will require the addition of more language to the statute, which

will probably delay the bill. Acting Chair Fate explained that if the committee wants to adopt the original bill, which he encouraged, the committee would have to rescind its action in passing out HCS CSSB 65(STA) and [rescind its action in adopting the conceptual amendment] and thus CSSB 65(FIN) would be before the committee.

RYNNIEVA MOSS, Staff to Representative Coghill, Alaska State Legislature, came forward to testify. She explained that the legal opinion says that the findings and purpose portion of HCS CSSB 65(STA) are inconsistent and incomplete because the statute cited in Section 1 in the findings deals only with gender; it doesn't deal with race. She said there are a couple of options. The language in the legislative findings and purpose needs to be changed to incorporate statutes that address race, or the committee needs to rescind its action and go back to the original bill as a starting point.

ACTING CHAIR FATE noted that Representative James had joined the meeting.

Number 0313

REPRESENTATIVE JAMES said she had been thinking all weekend about how the issue of race could be examined. She said she thinks that when you want to look at race, it is an entirely different objective and a different procedure than it is to look just at gender. She said she would prefer that the House State Affairs Standing Committee rescind its action on passing the amendment because she thinks it does "really complicate and almost eliminate the ability to get this job done ... with the price we've got on it...."

REPRESENTATIVE WILSON said she would like to know what the sponsor, Senator Donley, thinks.

Number 0408

SENATOR DAVE DONLEY, Alaska State Legislature, came forward to testify as sponsor of SB 65. He said he would like to go back to the original piece of legislation "because that's what we've researched and worked with the administration on developing, a very specific proposal for the study...." He recalled that the administration had testified that they don't know how much it would cost to do the study proposed by the House committee substitute (HCS). He said he did not know what all it would entail to make the HCS consistent with its new purpose.

Furthermore, there is little time remaining in the session and thus he thinks the original bill would be good stand-alone legislation. Moreover, the presence of multiple variables involved would make two separate studies "a lot cleaner." He mentioned that he had only been working on the cost of the gender study.

REPRESENTATIVE CRAWFORD said he thought it was a laudable goal to extend the study and thus he wondered whether the sponsor would [carry] the bill [for the race study], [that is] if he was interested in splitting the two.

Number 0573

SENATOR DONLEY informed the committee that he started working on the pay equity and gender issue more than ten years ago and began developing the proposal with the administration last July. This was his only bill before the legislature for most of the session. He said it was difficult for him to commit to sponsoring the race study because he has not done any research on it and there are a lot of other bills he wants to introduce. Therefore, he was not comfortable making a commitment to sponsor a bill until he had done research and review on the issue. He pointed out that others, including Representative Crawford, could introduce such a bill.

REPRESENTATIVE CRAWFORD observed that it is much easier for people in the majority to get legislation passed.

MS. MOSS clarified that the appropriate motion before the committee would be to rescind its action on Amendment 1 to CSSB 65(FIN).

Number 0864

REPRESENTATIVE JAMES so moved. There being no objection, the committee's action in adopting Amendment 1 was rescinded.

ACTING CHAIR FATE announced that the bill as originally presented to the House State Affairs Standing Committee [CSSB 65(FIN)] was now before the committee.

MS. MOSS advised that the appropriate motion would be to report CSSB 65(FIN) out of committee with the attached fiscal note.

Number 0864

REPRESENTATIVE JAMES so moved. There being no further discussion and no objection, CSSB 65(FIN) was reported out of the House State Affairs Standing Committee with individual recommendations and the accompanying fiscal notes.

SENATOR DONLEY expressed his appreciation to the committee.

HB 42 - PRIVILEGE TO PURCHASE ALCOHOL/I.D. CARDS

ACTING CHAIR FATE announced that the next item of business before the committee would be HOUSE BILL NO. 42, "An Act relating to the consumption, purchase, furnishing, delivery, offer for sale, and sale of alcoholic beverages and to driver's licenses and identification cards used to purchase alcoholic beverages."

Number 0936

REPRESENTATIVE JAMES moved to adopt CSHB 42, Version 22-LS0043\P, Ford, 4/16/01, as the working document before the committee. There being no objection, Version P was before the committee.

Number 0969

JEFF LOGAN, Staff to Representative Green, came forward to testify on behalf of Representative Green, sponsor of HB 42. He said:

Operating a motor vehicle under the influence of alcohol is defined as a problem by just about everyone. There have been some high-profile accidents in the past several months in our state involving operators under the influence that have caused many people, including some legislators, to take a second look at how we criminalize the act of driving under the influence. One approach has been to separate the driver from the vehicle. The bill before you takes a different approach. It seeks to separate the alcohol from the abuser ... by establishing that the privilege to purchase alcohol is just that, a privilege, then goes a step further by revoking that privilege for persons who are convicted of driving under the influence.

If a person loses that privilege, they are required to go to the DMV [Department of Motor Vehicles], turn in

their driver's license or state identification, and get another one that will have, as the bill says, a distinctive color background, ... indicating to anyone who sees that identification or driver's license that that person's privilege to purchase alcohol has been revoked.

The bill goes a step further ... by enabling municipalities to enact a local option that would require anyone selling alcohol to check identifications of the purchaser to see whether or not they have the privilege to purchase alcohol. We're confident that even if such an option were not voted in by a local community, there are a number of alcohol retailers in the state who are looking for something like this, a tool to use, and that many retailers would do it voluntarily.

Number 1217

MR. LOGAN explained that the CS, like the original HB 42, addresses those people operating a car, boat, or plane under the influence of alcohol. Previous versions included other crimes in which alcohol was a factor. That increased the number of people that had to be processed, "and the fiscal notes were just killing us," he said. Therefore, the sponsor agreed to narrow the scope of the bill to drunk drivers, which is the primary change.

REPRESENTATIVE HAYES inquired as to the amount of the current fiscal note, which committee members did not have. He also asked if there was any community support for the bill.

MR. LOGAN said there are three new fiscal notes; from the Department of Law, Department of Corrections, and Division of Motor Vehicles; and that people from those agencies are here to address them. Although there has been support from communities for earlier versions of the bill, there has not been time for those communities to respond to the CS. However, legislation allowing local options is generally supported by communities.

Number 1321

REPRESENTATIVE JAMES asked Mr. Logan to explain again how the system would work. Specifically, she asked if HB 42 means that anyone who wanted to buy alcohol would need to have an identification card showing their eligibility to purchase it or

would they just show a driver's license or state ID card? She also asked whether it would be perceived as discrimination if some purchasers are asked for identification and others are not. And, finally, "Do you really believe that those people who want to drink are not going to get it because they can't buy it ...?" She said she did not think so.

Number 1359

REPRESENTATIVE JOE GREEN, Alaska State Legislature, came forward to testify as sponsor of HB 42. He explained that everyone's ID would be checked, just as it is when boarding an airplane, and that under those circumstances, it would not be discriminatory. He did not expect this to be a cure-all, but "one of what we hope ultimately will be an arsenal against this devastating thing called drunk driving ... because people are out of control and they're driving a killing machine...." He said his intent is to reduce the number [of drunk drivers] before they get on the highway, not punish them after they get on the highway, where they have already subjected everyone they pass to potential death.

Number 1562

REPRESENTATIVE JAMES was trying to visualize how this would work. She asked if a person spending a few hours in a bar would have to show ID each time he or she ordered a drink.

REPRESENTATIVE GREEN said it would be up to the proprietor of the establishment whether ID is checked at the door, at the table, or with each order.

REPRESENTATIVE JAMES asked how a seller could prove that ID had been checked.

REPRESENTATIVE GREEN said if the seller sold alcohol to someone who doesn't have a legal ID, the seller also is punished by this bill.

REPRESENTATIVE JAMES wondered what happens if a drunk driver has bought alcohol at several places. She asked if all of the sellers would be guilty of selling it to them.

REPRESENTATIVE GREEN said if it can be proven that the drunk driver bought alcohol from all of those sellers, then they all are guilty.

REPRESENTATIVE JAMES asked who is going to prove it.

REPRESENTATIVE GREEN said that would be up to the municipality.

REPRESENTATIVE JAMES assumed that meant the municipality's governing body would have to prove where the liquor was purchased, which struck her as a difficult job.

REPRESENTATIVE GREEN said the municipality would have to prove that only if it wanted to prosecute the person who sold the alcohol. "They've got the person who was driving," he said. "That's the one we're after. We also would like to stop the sales to that person. That's up to the municipality...."

Number 1887

REPRESENTATIVE WILSON said she thought there would have to be "some teeth in it" to discourage those selling liquor from serving people who are not allowed to buy.

REPRESENTATIVE GREEN pointed out that the seller is also guilty if it is proven that he sold to the drunk driver.

Number 1887

REPRESENTATIVE WILSON asked what kind of crime it was.

REPRESENTATIVE GREEN said it was a misdemeanor with a \$500 fine.

MR. LOGAN directed the committee's attention to page 3, line 20, of the CS, which establishes a civil penalty of \$500 for a person who furnishes or delivers alcohol.

REPRESENTATIVE GREEN added that \$500 might not mean much to a wealthy drunk, but maybe it would to a teen-age drunk.

REPRESENTATIVE JAMES clarified that the penalty applied to the seller as well.

REPRESENTATIVE GREEN agreed.

REPRESENTATIVE JAMES surmised then that it would not be a problem to a wealthy bar owner.

Number 1938

REPRESENTATIVE STEVENS asked if it is easy for people to get fake ID.

REPRESENTATIVE GREEN said a neighbor who was a policeman told him that the fact that driver's licenses are laminated makes forgery difficult.

REPRESENTATIVE CRAWFORD asked if a person could still buy alcohol with an out-of-state driver's license. He also wondered what a state resident who does not drive would show to buy alcohol.

REPRESENTATIVE GREEN said the state can issue non-drivers a personal identification card similar to a driver's license.

REPRESENTATIVE CRAWFORD assumed those would come out in the same color as the driver's license. He said he had heard that only 30 percent of the people who work at the Red Dog mine have state driver's licenses. Furthermore, many people who live in the Bush do not have driver's licenses because they don't have the need. He wondered how HB 42 addressed that situation.

MR. LOGAN explained that the state identification card issued by DMV looks just like a driver's license. In those communities that require sellers to check ID when selling alcohol, the purchaser would need some sort of identification to buy it. The DMV has 30 field offices and a mail-in system whereby a person can get a state ID card.

Number 2191

REPRESENTATIVE HAYES asked about the person with an out-of-state license or military ID. He thought there were "cracks in the system there." He also thought the person who kept alcohol at home would not be affected by HB 42.

REPRESENTATIVE GREEN asked if those in the military had to get a state driver's license.

REPRESENTATIVE HAYES said those in the military can drive with a license from their state of record.

REPRESENTATIVE GREEN said according to HB 42, those people would have to get a state ID card from DMV if they wanted to purchase alcohol in Alaska. He acknowledged that someone with a good supply of liquor at home could "beat the rap for a long time."

Furthermore, a person could get someone else to buy for him, but the person who supplies the alcohol takes a risk.

REPRESENTATIVE HAYES expressed concern about imposing a hardship on those serving in the military.

REPRESENTATIVE GREEN said it was no more of a hardship on them than on anyone else. He added that if that person had been convicted of driving a killing machine while under the influence of alcohol, he did not think that was too much to ask.

Number 2399

REPRESENTATIVE WILSON thought HB 42 took a unique approach. She wondered if there was any way to punish a person who bought alcohol for someone who was disqualified to buy.

REPRESENTATIVE GREEN replied yes, it is in the bill.

MR. LOGAN pointed out that on page 3, line 16, the bill addresses "a person furnishing or delivering an alcoholic beverage to a person whose privilege has been revoked."

Number 2460

ACTING CHAIR FATE asked, "Are you saying that because a person has a pink slip that he cannot drink any more ... and that anybody that ... even serves him a drink is going to be a criminal?"

REPRESENTATIVE GREEN replied, "He's not going to be a criminal, he's going to be in violation.... It's a misdemeanor."

REPRESENTATIVE WILSON expressed approval of that provision. "When innocent people are being killed by drunk drivers, we need to take some drastic steps," she said.

Number 2528

REPRESENTATIVE JAMES disagreed. "Historically, we have always tried to find the guilty people by inconveniencing the law-abiding," she said. "What we're doing is putting a responsibility on every single other person to try to be sure that the person who would drive drunk doesn't get drunk." She said she believes that people who are going to drink in excess cannot be stopped by others. She observed that a person who

wants to buy alcohol can go to a community that does not require ID to be checked.

REPRESENTATIVE JAMES said she is assuming that these people are addicted to alcohol, and that they will go to great lengths to get it. Therefore, she doubted that HB 42 would stop those people. She also thinks the public wants to do something to stop drunk driving. She indicated that other legislation being considered might be more effective, even though it has a much higher fiscal note. She said she would rather pay for people to take treatment that might not work than to be personally inconvenienced. She expressed great reluctance to make other people take responsibility for an individual's crimes, which she thought HB 42 would do.

Number 2707

REPRESENTATIVE JAMES noted that it is already illegal for a bartender to serve a person who obviously has had too much to drink. This legislation goes a step further by requiring the bartender to check ID. She added, "They say a person who is stopped for drunk driving probably has done it 80 or 100 times before...."

REPRESENTATIVE GREEN said he thought it takes about 5 seconds to show ID, and he didn't think that was too much inconvenience. He acknowledged that HB 42 would not stop everyone [from drinking and driving], but he thought it would stop some.

REPRESENTATIVE STEVENS said he appreciated Representative James' thoughts on inconvenience, but he said he was willing to put up with a small inconvenience if it helps protect his family. He asked why [this bill] uses a local option [approach] versus a statewide [approach].

REPRESENTATIVE GREEN said he wished it would be adopted statewide, but there are some areas that feel it is an infringement...

TAPE 01-40, SIDE B

REPRESENTATIVE GREEN commented that he would like to see it nationwide as well.

Number 2962

REPRESENTATIVE HAYES expressed continuing concern about HB 42 and the large number of military personnel in the state. To him, it sounds like personnel stationed in Alaska will need to get state identification, and that the inconsistency across the state will be cumbersome.

REPRESENTATIVE GREEN said military personnel in places that adopt the local option would need to get state ID to purchase alcohol there. It might create a slight inconvenience for a person coming into that area, but it isn't against the law for that person [if he has not been convicted of drunk driving] to get someone else to buy alcohol for him.

REPRESENTATIVE HAYES said he would be afraid to buy alcohol for somebody because if that person were lying, he would be in just as much trouble as that person. He thought HB 42 would affect military people differently than everyone else, and he would like the sponsor to look into that.

Number 2816

REPRESENTATIVE CRAWFORD commented that he believes that over all, this is a good piece of legislation that will help cure the problem.

Number 2777

JENNIFER RUDINGER, Executive Director, Alaska Civil Liberties Union (AkCLU), testified by teleconference. She noted that she sent the committee a position paper. She mentioned that she did not have a copy of the CS and thus would base her remarks on the original bill.

MS. RUDINGER said the AkCLU was concerned about unintended consequences of HB 42 as they relate to the right to privacy. Although she commended the sponsor for "thinking outside the box" in order to find a way to curtail drunk driving, she believes HB 42 "sweeps too broadly." There are many occasions in which a person is asked for a driver's license that has nothing to do with drinking or driving, and she gave several examples. Colorizing a driver's license forces an individual to display a "badge of shame," she said.

Number 2539

MS. RUDINGER said another privacy issue relates to the database that is created. She expressed concern that the database

listing offenders might not be kept current. She also pointed out that HB 42 could interfere with the constitutionally guaranteed free exercise of religion because it does not provide any exception for using wine for religious ceremonies. Further, she said, the bill seems to invade the sanctity of the home by requiring hosts to request identification from friends to whom they wished to serve alcohol. She also pointed out that the bill prohibits a person whose privilege has been revoked from entering any premises where alcohol is served, which would prevent that person from going out to eat in many restaurants, or from attending a concert or a sporting event. There are many unintended consequences of HB 42.

ACTING CHAIR FATE told her the committee had now received her written testimony.

Number 2316

ALVIA S. DUNNAGAN, Lieutenant, Department of Public Safety, Division of State Troopers, testified by teleconference. He said he was available for questions regarding how HB 42 related to law enforcement.

REPRESENTATIVE JAMES expressed concern that if HB 42 were the law and police had a drunk driver in custody, what would be the police procedure to find out who else might be to blame for the driver's having too much alcohol.

LT. DUNNAGAN replied that as part of a normal investigation into a driving while under the influence case, several questions are asked of the driver. About 60 percent of the time, people are willing to answer all questions. He thought it would not be a problem to ask that type of question. He also noted that the person is not always carrying a driver's license.

REPRESENTATIVE JAMES asked what step the police would take, under existing law, after they knew where the driver had obtained alcohol.

LT. DUNNAGAN said if the person was intoxicated and caused an accident, and police were looking into the possibility of a licensee serving an impaired person, police would go to the bar and try to find employees who were on duty and other patrons who might be able to provide information.

REPRESENTATIVE JAMES posed a situation in which the police found that an establishment served someone who was incapacitated and

there was a serious accident in which people were killed. She inquired as to the kind of action that would be taken against the person who made that sale and the penalties that would result.

LT. DUNNAGAN said the information would go to the district attorney's office and the person might be cited on the spot. He pointed out that it is a misdemeanor to serve an intoxicated person on licensed premises. The district attorney would look at all the evidence that was gathered and if there was enough to support a prosecution, then the prosecution would go forth.

REPRESENTATIVE JAMES asked how much easier it would be to get this person for selling to "them" under HB 42.

LT. DUNNAGAN said police would have to know that the drunk driver's privilege to purchase alcohol had been revoked, where he or she had purchased the alcohol, and if that establishment was in a location covered by the local option. Therefore, obtaining that information might take some time and legwork.

Number 2045

REPRESENTATIVE WILSON asked Lt. Dunnagan if he viewed HB 42 as a something positive or negative to help with the problem of drunk driving.

LT. DUNNAGAN replied, "I look at just about anything that we could do to reduce the number of ... serious accidents and fatalities caused by drunk drivers as a positive step as long as what we're doing is going to stand the test of legality ... and that we're not creating major inconveniences for everybody. Those not affected by it, ... law enforcement, [and] DMV would have to be considered."

LT, DUNNAGAN noted that HB 42 could be circumvented because it does not specify [require] State of Alaska identification. Other identification would show no tie to revocation, and therefore the seller would be off the hook and there would be no violation because the person was able to show legal identification. There are many kinds of identification, including driver's licenses from other states, military ID cards, and passports.

Number 1917

REPRESENTATIVE WILSON asked whether it would help if HB 42 were changed to specify [require] State of Alaska identification.

LT. DUNNAGAN said it definitely would help if HB 42 required the kind of ID that DMV was going to be issuing to people whose privilege to buy alcohol was revoked. However, he pointed out, the offender could leave the state ID card at home and just show a passport in order to buy alcohol.

Number 1831

ACTING CHAIR FATE asked a hypothetical question:

I go into a nice dinner place with my family. My wife orders the dinner for everybody and she orders wine, and I have a pink driver's license, and I have one glass of wine. After the dinner, we go out and I get into an automobile accident, not a serious one ..., and of course the officer come up and looks at my driver's license and here it is pink. Now he checks back and finds out that I had wine, which I'm not supposed to have, at a dinner. Now who's responsible for this ... misdemeanor, my wife ... or the establishment?

LT. DUNNAGAN said the guilt would fall on his wife, who ordered the wine and let her husband drink some while knowing that his privilege to buy liquor had been revoked.

REPRESENTATIVE JAMES asked if the incident involved underage drinking, wouldn't the server be responsible for checking the ID of anyone who drank that wine.

LT. DUNNAGAN said that was a good point, and he didn't know if HB 42 would specifically require identification checks of everyone at the table who has a glass of wine.

Number 1690

REPRESENTATIVE HAYES asked how the local control option would work in conjunction with the statewide ID.

LT. DUNNAGAN said if your privilege to buy is revoked, DMV still will issue you a license to drive. The only time you will have to show that colored ID mandated by HB 42 is when you are trying to buy alcohol in a community that has adopted the local option. So if you walk into a liquor store in a community that does not

have the local option, and you are obviously of legal age, nobody is going to ask you for your identification.

Number 1561

ACTING CHAIR FATE observed that it creates the opportunity for people whose privilege to buy has been revoked to go into a community that does not have the local option and load up their cars with alcohol.

REPRESENTATIVE GREEN said Texas has a local option in counties and the system works there.

Number 1525

REPRESENTATIVE STEVENS asked Lt. Dunnagan if there is a pervasive problem with fake IDs.

LT. DUNNAGAN replied that in his 21 years of experience, he has only run across a handful of actual fake IDs. He said police more often see legitimate ones on which the date of birth has been altered or the card has been damaged so it is very hard to read. He didn't think it was a big issue.

Number 1428

MARY MARSHBURN, Director, Division of Motor Vehicles, Department of Administration, testified by teleconference. A driver's license or state ID card is not required to purchase alcohol; other types of identification that carry a photograph and a birth date generally are acceptable. Military personnel usually carry both a military ID and a driver's license. The license is confiscated at the time a person is picked up for driving while intoxicated. At the time the license revocation ends, the driver can obtain a license from either Alaska or the home state. So military personnel who wished to evade the provisions of HB 42 could do so. Ms. Marshburn also noted that the time periods for license renewal are not the same as for suspension [of the right to purchase] under HB 42.

Number 1187

MS. MARSHBURN asked the committee to consider amending HB 42 to include marked state ID cards, as the bill now only speaks to driver's licenses. She also corrected a statement made earlier in the meeting, saying that DMV does not issue ID cards through the mail.

Number 1117

REPRESENTATIVE HAYES said he didn't see any requirement in HB 42 that military personnel obtain Alaska ID.

MS. MARSHBURN agreed, explaining that active duty military personnel can operate on their home state drivers licenses.

Number 1077

REPRESENTATIVE STEVENS expressed concern about how long the colored license would last. He asked Ms. Marshburn if he understood correctly that a person could apply for an unmarked license after one year.

MS. MARSHBURN said that was correct on a first offense. After that, the period is three years after a second offense and five years after a third or subsequent offense within a five-year period.

REPRESENTATIVE JAMES asked if that was the current practice or that specified under HB 42.

MS. MARSHBURN said under current law, a driver's license is revoked for one year following a first conviction for drunk driving. Under HB 42, that driver's privilege to purchase alcohol is revoked for three years. After the first year, the driver would be issued a marked license to use for the next two years. At the end of that time, the driver would be eligible for an unmarked license.

Number 0949

BLAIR McCUNE, Deputy Director, Public Defender Agency, Department of Administration, testified by teleconference. He observed that there had been a lot of good discussion about HB 42 and said he was available to answer questions. He pointed out that the section about which the Public Defender Agency would be concerned is [AS] 04.16.160(d) that makes it a misdemeanor for someone to knowingly purchase alcohol after that person's privilege to purchase alcohol has been revoked or relinquished. "This would be a Class A misdemeanor and we would have quite an increase in our caseload if this was enacted and enforced," he said.

Number 0852

DOUGLAS B. GRIFFIN, Director, Alcoholic Beverage Control Board, testified by teleconference. He stated that he was available to answer any questions specific to the affect of HB 42 on liquor licensees.

REPRESENTATIVE CRAWFORD asked about offering alcohol to people in one's own home. He asked if the host would be responsible for carding guests.

Number 0968

REPRESENTATIVE GREEN said he thought that knowingly serving someone who has lost the privilege to drink would be a violation, just as it is when marijuana is offered. However, he thought it would probably not be enforced.

REPRESENTATIVE CRAWFORD said "knowingly" was the key word. He asked if HB 42 would put the onus on the homeowner to request that information before giving someone a beer.

REPRESENTATIVE GREEN said it would. He said the homeowner could be guilty of a misdemeanor if he or she served beer to a guest who went out and had an accident.

REPRESENTATIVE CRAWFORD asked if HB 42 prohibits an offender entering a place where alcohol is served, such as the Performing Arts Center in Anchorage.

REPRESENTATIVE GREEN thought that had been included in an earlier version.

Number 0566

REPRESENTATIVE CRAWFORD said that would make a big difference. He then asked Lt. Dunnagan if the marked license would give a police officer reasonable cause to search for and seize alcohol he suspected might be in the car.

LT. DUNNAGAN said alcohol in the back seat could be seized under the "plain view" law, but a marked license would not give the officer the right to search the trunk of a vehicle stopped for speeding. If the officer smelled alcohol on the driver's breath, that driver is subject to arrest under HB 42. If the driver were arrested, police would have to tow the car, and be required to inventory its contents before it is impounded.

Alcohol found in the trunk under those circumstances may or may not be admissible evidence in court.

Number 0957

REPRESENTATIVE HAYES asked if it was the intention of HB 42 that everyone have a state identification card or license to get into bars or buy alcohol.

REPRESENTATIVE GREEN said the intent was to prevent consumption, not to prevent entering premises.

REPRESENTATIVE HAYES said he still was troubled by the effect on military personnel if that provision is included in the bill.

Number 0251

ACTING CHAIR FATE asked Lt. Dunnagan if he knew the ratio of first-time offenders to repeat offenders.

LT. DUNNAGAN said he thought there were about 3,500 first-time offenders and 1,000 second offenders in the state, and that the number took a big drop after that.

MS. MARSHBURN confirmed that Lt. Dunnagan's estimate was correct.

REPRESENTATIVE JAMES said she thought she had heard in the [House] Judiciary Committee that about 80 percent of first time offenders do not re-offend.

LT. DUNNAGAN said he thought that sounded right. He then referred to an earlier question from Representative James, saying that a server probably would not check the identification of all adults at a table where wine was served, but would do so if there appeared to be underage or questionable persons in the group.

TAPE 01-41, SIDE A

REPRESENTATIVE JAMES asked if HB 42 would make the server responsible for checking all those IDs.

LT. DUNNAGAN said he thought it would.

Number 0050

ACTING CHAIR FATE asked how many of the drivers who get into serious accidents are multiple offenders of driving under the influence. He wondered if it was a disproportionate number.

LT. DUNNAGAN said that was an interesting question, but he did not have the numbers available to answer it. However, he provided 1988 National Traffic Safety Association figures indicating that high blood alcohol levels [of .10 or above] were associated with 2,700 crashes that killed 28 and injured 1,500 people. Blood alcohol levels of .08 to .09 were associated with 50 crashes, in which 1 person was killed and 100 injured. Blood alcohol levels that were detectable but below .08 were involved in an estimated 100 crashes that killed 2 and injured 100. He said the monetary cost was estimated at \$5.1 million for every alcohol-related traffic fatality in Alaska.

ACTING CHAIR FATE asked if he understood correctly that there were more accidents and more fatalities at the lowest blood alcohol level than there were at the second lowest.

LT. DUNNAGAN said that was correct.

Number 0210

REPRESENTATIVE JAMES asked if he had any statistics showing the blood alcohol level of drivers involved in serious accidents.

LT. DUNNAGAN said he did not have those numbers at hand, but thought if one were to look at all of the information available, it shows that Alaska has an abnormally higher blood alcohol range than any of the Lower 48 states "for just about everything."

Number 0294

LT. DUNNAGAN offered a final comment regarding people serving alcohol to guests in their home. He said as he understands HB 42, it pertains to identification checks by those who are licensed by the Alcohol Beverage Control Board and would not apply to a homeowner serving guests.

REPRESENTATIVE HAYES wondered if any other states required one form of identification for those purchasing alcoholic beverages [a liquor ID card].

MS. MARSHBURN said she had inquired about that last year through the national DMV network. There were no jurisdictions doing so that they could find.

ACTING CHAIR FATE announced that he intended to hold over HB 42 until some of the questions could be answered. He expressed concern about HB 42 becoming a "legal playground." However, he applauded Representative Green's thinking out of the box in an attempt to alleviate the problem of drunk driving.

REPRESENTATIVE GREEN asked if he would be privy to the questions.

ACTING CHAIR FATE replied, "Absolutely."

REPRESENTATIVE GREEN asked if this was "stonewalling" the bill.

ACTING CHAIR FATE assured him that was not his intent. "You've heard the testimony. There are some serious questions, I believe." He specifically mentioned questions raised by Representative Hayes and some confusion about places where the bill might or might not apply, and said he hoped some of those questions could be clarified. [HB 42 was HEARD AND HELD.]

HB 242 - TRS & PERS REEMPLOY & MED BENEFITS; COLA

Number 0661

ACTING CHAIR FATE announced that the next order of business before the committee would be HOUSE BILL NO. 242, "An Act relating to reemployment of and medical benefits for retired members of the teachers' retirement system and public employees' retirement system; relating to the inclusion of cost-of-living differentials on compensation and benefits under the public employees' retirement system; and providing for an effective date."

Number 0740

ROGER WORTMAN, Staff to Representative Pete Kott, Alaska State Legislature, came forward to introduce the bill on behalf of the sponsor. He noted that baby boomers are about to retire en masse in the years 2008-2009, leaving a big void in the state work force. Some of those shortages will be critical, such as in education and law enforcement. He explained that HB 242 "provides a carrot" to retain employees after they are eligible for retirement.

REPRESENTATIVE STEVENS said he thinks it is a great idea. He asked what the cost would be.

MR. WORTMAN deferred the question to Mr. Bell, Director of Retirement, and Benefits.

Number 0965

ACTING CHAIR FATE mentioned that there was little meeting time remaining, and that it was his intent to move the bill out of committee if there were not too many questions.

GUY BELL, Director, Division of Retirement and Benefits, Department of Administration, explained that HB 242 was a component of a workforce development initiative that the state and a number of other employers have undertaken in an effort to address workforce shortages. The bill was developed by a working group made up of employers and employee organizations, and it has been endorsed by the Public Employees and Teachers Retirement boards.

MR. BELL said Sections 1 and 2 of HB 242 relate to the Teachers Retirement System (TRS). As an incentive to bring back retired teachers, it would allow them to continue receiving retirement benefits in addition to earning a salary. Currently on re-employing in a permanent full-time capacity, a retired teacher's retirement benefits stop, but that teacher begins to accrue a second retirement benefit. House Bill 242 gives the teacher the choice of accruing that additional benefit or continuing to receive a retirement check. There is no fiscal impact on the retirement system.

Number 1107

REPRESENTATIVE JAMES asked about the geographic pay differential in relation to retirement benefits.

MR. BELL referred to Section 7 of the bill. He said HB 242 does not change the geographic pay differential. In 1986, the law was changed by adding two provisions to the calculation, he explained. One is that a person must have worked in the geographic differential area for at least half of his or her career. The second one is to be included [in calculating retirement benefits], the differential must be in a comparable amount or of at least as many steps when compared to the entire pay differential service. "That second piece is the clause that

is confusing to us and to members in terms of how it applies in the calculation of retirement benefits, and that's the clause that we're trying to address," he said.

REPRESENTATIVE JAMES said she was thinking about state troopers, who move around the state. If a trooper was in a geographic differential area for more than half of his or her career, how would that affect that person's retirement benefit.

MR. BELL explained that under the current law, those calculating retirement benefits find the midpoint salary in the geographic differential years and apply the higher salary to retirement income only for those years in which income exceeded the midpoint. The problem with that is that it is very difficult from a career planning perspective for people to know the impact, he added. State Troopers are transferred throughout the state throughout their careers, and they [as well as the retirement people] think this provision addresses that concern.

MR. BELL explained that there is, for Tier 3 members, a requirement that the final average salary for calculating benefits be three consecutive years, and the final average salary for Tier 2 [people hired after 1996] is five consecutive years.

REPRESENTATIVE JAMES asked if a person being paid at a geographic differential is paying more into the retirement system based on that higher salary.

MR. BELL said that is correct.

REPRESENTATIVE JAMES asked, "Isn't your retirement based on whatever your salary is at the end?"

MR. BELL explained that the calculation of a person's retirement benefit is based on that person's three highest years, whenever those occur.

REPRESENTATIVE JAMES asked how HB 242 would change that.

MR. BELL explained, "If you spend 50 percent of your career in a geographic differential area, at least 50 percent, your high final average salary calculations will include geographic differential."

REPRESENTATIVE JAMES inquired, "Average over the full time would include that higher rate?"

MR. BELL replied, "Exactly. Your high three will include the geographic differential you received."

REPRESENTATIVE JAMES asked, "And that's not the way it's done now?"

MR. BELL said no. "First we have to use the 50 percent criteria and then we go to comparable amount of at least that many steps," he explained.

Number 1556

REPRESENTATIVE STEVENS said in general he thinks it is a tremendous idea to try to retain good people and keep them from leaving the state. He asked what the costs would be for sections of HB 242 other than Section 1. He wondered whether it might be advisable to allow for a local option.

MR. BELL said:

In the Teachers Retirement System, a person can retire after 20 years of service. What this would do is provide medical benefits if a person stays 25 years. Right now, that person wouldn't be entitled to medical benefits until age 60, at which point it pays half or age 65 when they get the same benefits as a Tier 1 member. So what we're trying to look at with this section is a retention incentive to keep teachers on an additional five years by offering full medical -- retirement system-provided medical coverage after 25 years of teaching; and similar language for Section 6 for public employees.

There is a cost to this. It's a modest cost. It's .17 percent of salary, which on a per teacher basis is something less than \$60 a year. So if you boil it down to individual employee cost, it's modest, but we think you get a large gain in terms of retention of long-service employees.

Number 1700

REPRESENTATIVE JAMES commented that the committee in the past had struggled with the Reduction In Force (RIF) program to allow higher-paid people to leave early and be replaced with people who cost less. That was a very controversial issue, she

recalled. "I really like the idea of letting people stay longer," she said. She noticed that there was a small fiscal note related to counseling these people, "but if they choose to take the retirement and then [return to] work without us paying the retirement, what is the savings that would be achieved ...?" she asked.

MR. BELL said he did not think the retirement system could calculate a savings, although it would be possible to make some assumptions.

Number 1878

REPRESENTATIVE JAMES asked if a teacher returning from retirement would be paid the same amount, or did Mr. Bell think those people would be willing to work for less?

MR. BELL said the school district would save 11-12 percent of the teacher's salary as a result of not having to pay that amount into the retirement system. He said the amount they would be paid would be subject to negotiation between the employer and the employee. There would have to be a break in service, he added.

REPRESENTATIVE JAMES emphasized that it would give the employer the opportunity to offer less. Moreover, a teacher who was already receiving retirement income might be willing to take it, thereby creating more savings while [the employer retains] a good employee.

ACTING CHAIR FATE welcomed Chair Coghill and turned over the gavel.

REPRESENTATIVE STEVENS said it would be a tremendous asset to every district to be able to re-hire experienced teachers who he thought might very well be willing to come back, especially part time, at a lower pay rate in addition to their retirement income.

MR. BELL told the committee that as of June 30, 1999, there were 1,300 retired teachers between the ages of 45 and 54.

REPRESENTATIVE JAMES said she was ready to move the bill.

Number 2091

VERNON MARSHALL, Executive Director, National Education Association - Alaska, came forward to testify. He commended the sponsor of HB 242 and expressed appreciation to Representative Stevens for introducing HB 240, calling those "two pieces of legislation designed to attract and retain qualified workers ... during this period of shortage." He said HB 242 would have an immediate impact, serving as a powerful recruiting tool and aiding in retention. He said he has heard that teachers are staying for an average of just under 23 years. To offer an incentive to stay two or three more years in exchange for full medical benefits is commendable, he said.

MR. MARSHALL then called attention to Sections 4, 5, and 6, all dealing with PERS. He emphasized that he deals with school employees, roughly 11,000 members, including the noncertificated school employees such as aides, secretaries, cooks, custodians, and assistants. Most of those people work nine months of the year. He said they get 75 percent of a year's service credit toward retirement, which means it takes them 6 years, 5 months to become vested and 13 years to qualify health insurance, and 39 years [instead of 30] to retire. He expressed hope that the "30 and out" or "age 60 and out" policy to these PERS employees.

CHAIR COGHILL suggested that Mr. Marshall discuss that with the sponsor of HB 242.

Number 2409

REPRESENTATIVE JAMES expressed concern about the nine-month issue, but thought it was a different one from the one being addressed in HB 242. She said she would be happy to address that in separate legislation, but was not in favor of amending this bill to include it.

REPRESENTATIVE HAYES said his former boss and current senator had introduced legislation related to that concern.

MR. MARSHALL said nine-month employees now could pay a surcharge in order to buy a full year of service credit, however, most of those positions are not paid enough for the employees to afford the surcharge. He noted the desire to provide a similar incentive for noncertificated employees.

BRUCE JOHNSON, Deputy Commissioner of Education, Department of Education and Early Development, came forward to testify. He said the department supports HB 242. He noted that Alaska in recent years has needed to recruit 12,000 to 13,000 new teachers

each year. At the largest job fair, which recently took place, there were fewer than 300 applicants. He said he thinks many teachers who retire would feel re-energized and ready to come back for a few more years, but he did not think they would be willing to give up their retirement benefits to do so.

CHAIR COGHILL asked if he thought the geographic pay differential was helpful in recruiting.

MR. JOHNSON said that is not an issue for teachers. He explained that school districts receive that money and can use it to increase teachers' salaries or for other purposes.

REPRESENTATIVE STEVENS said the cost of HB 242 seems minimal to him and wondered if school districts would support it.

MR. JOHNSON said he could not speak for all districts, but based on what he had hear from superintendents, he thought few would hesitate to support having this tool available to them.

REPRESENTATIVE CRAWFORD said he felt like he was missing something, as a short time ago, legislators were offering an incentive to get employees to leave and now they were considering offering them an incentive to come back.

Number 2757

MR. JOHNSON said he thought the recent reduction in force had a lot to do with the fact that inflation was eating away at school districts' purchasing power and they could not afford the employees they had. [At that time] the school districts were confident they could recruit lower paid employees to replace the veterans. The issue then had more to do with staying afloat financially, he said. However, some school districts could see this problem coming and opted not to participate in all or part of the RIF programs.

REPRESENTATIVE JAMES turned to Representative Crawford's concern. She recalled [that the legislature] resisted [the RIF] very hard, but that the school districts prevailed for the reasons Mr. Johnson had explained.

REPRESENTATIVE WILSON asked if some of the teachers who received financial incentives for retiring now would receive bonuses for coming back.

MR. BELL said that problem was anticipated for both the PERS and TERS retirement programs and thus the RIF participants are excluded from the return provision.

REPRESENTATIVE CRAWFORD asked if there is more money in the system today so that school districts can hire teachers back.

MR. JOHNSON said there is a shortage of teachers that requires action. Last school year began with 86 unfilled positions statewide and many of those remained unfilled for months or for the whole year. There is no new money, but there are some potential savings in HB 242. Most important, he said, is that there are well qualified people available to fill that void for Alaska's children.

REPRESENTATIVE JAMES said the RIF allowed people who were within a few years of retirement to "buy their way out" by contributing to the retirement system the amount that would qualify them for full retirement pay.

TAPE 01-41, SIDE B

REPRESENTATIVE STEVENS voiced his opinion that "RIF was an absolute disaster; I hope that we will never consider it again. There were entire departments of the university that were devastated. School districts wound up getting rid of some of the finest teachers and I do believe that teachers get better the longer they teach." He asked Mr. Bell if PERS and TERS are financially healthy because he wanted assurance that HB 242 would, in no way, be detrimental to either of those systems.

MR. BELL said the system is very healthy right now and HB 242 is "of minimal to no cost," and would have no impact on them.

Number 2900

CHAIR COGHILL asked what the impact of HB 242 might be on the supplemental Benefits System (SBS).

MR. BELL said SBS affects state employees and employees of 13 political subdivisions. It was to some extent a replacement for Social Security, he explained. "On re-employment, a person would continue to contribute and so would their employer to the Supplemental Benefits System, so anyone who re-employed with ... either the state or one of those political subdivisions would continue to contribute and then ultimately benefit from the Supplemental Benefits System," he said.

Number 2870

REPRESENTATIVE JAMES moved to report HB 242 out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, HB 242 was moved from the House State Affairs Standing Committee.

ADJOURNMENT

There being no further business before the committee, the House State Affairs Standing Committee meeting was adjourned at 10:30 p.m.