

**ALASKA STATE LEGISLATURE
HOUSE STATE AFFAIRS STANDING COMMITTEE**

April 26, 2001

8:03 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

CONFIRMATION HEARINGS:

Human Rights Commission

Martha Gore - Anchorage
Roy Harding Madsen, Judge (retired) - Kodiak

- CONFIRMATIONS ADVANCED

Commissioner - Department of Administration

Jim Duncan - Juneau

- CONFIRMATION ADVANCED

Alaska Public Offices Commission

Mark T. Handley - Juneau

- CONFIRMATION ADVANCED

HOUSE JOINT RESOLUTION NO. 2

Proposing amendments to the Constitution of the State of Alaska relating to the duration of regular sessions of the legislature and to a biennial state budget.

- HEARD AND HELD

CS FOR SENATE BILL NO. 145(FIN)

"An Act relating to regional and village public safety officers; relating to the expansion of the village public safety officer program to include the provision of probation and parole supervision services; and relating to retirement benefits for village public safety officers."

- MOVED CSSB 145(FIN) OUT OF COMMITTEE

HOUSE BILL NO. 198

"An Act relating to a post-retirement pension adjustment and cost-of-living allowance for persons receiving benefits under the Elected Public Officers Retirement System; and increasing the compensation of the governor."

- MOVED CSHB 198(STA) OUT OF COMMITTEE

HOUSE BILL NO. 20

"An Act relating to state aid to municipalities and certain other recipients, and for the village public safety officer program; relating to municipal dividends; relating to the public safety foundation program; and providing for an effective date."

- MOVED CSHB 20(CRA) OUT OF COMMITTEE

HOUSE BILL NO. 213

"An Act relating to initiative and referendum petitions; and providing for an effective date."

- HEARD AND HELD

HOUSE JOINT RESOLUTION NO. 25

Proposing an amendment to the Constitution of the State of Alaska relating to initiative and referendum petitions.

- SCHEDULED BUT NOT HEARD

PREVIOUS ACTION

BILL: HJR 2

SHORT TITLE: BIENNIAL STATE BUDGET

SPONSOR(S): REPRESENTATIVE(S) MURKOWSKI

| Jrn-Date | Jrn-Page | | Action |
|----------|----------|-----|---------------------------|
| 01/08/01 | 0018 | (H) | PREFILE RELEASED 12/29/00 |

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|----------|------|-----|------------------------------------|
| 01/08/01 | 0018 | (H) | READ THE FIRST TIME - REFERRALS |
| 01/08/01 | 0018 | (H) | STA, JUD, FIN |
| 01/08/01 | 0018 | (H) | REFERRED TO STATE AFFAIRS |
| 03/22/01 | | (H) | STA AT 8:00 AM CAPITOL 102 |
| 03/22/01 | | (H) | Heard & Held |
| 03/22/01 | | (H) | MINUTE(STA) |
| 03/27/01 | | (H) | STA AT 8:00 AM CAPITOL 102 |
| 03/27/01 | | (H) | Subcommittee Meeting |
| 03/27/01 | | (H) | MINUTE(STA) |
| 03/29/01 | | (H) | STA AT 8:00 AM CAPITOL 102 |
| 03/29/01 | | (H) | Heard & Held |
| 03/29/01 | | (H) | MINUTE(STA) |
| 04/26/01 | | (H) | STA AT 8:00 AM CAPITOL 102 |

BILL: SB 145

SHORT TITLE:VILLAGE PUB.SAFETY OFFICER PROGRAM

SPONSOR(S): SENATOR(S) HALFORD

| Jrn-Date | Jrn-Page | | Action |
|----------|----------|-----|--|
| 03/15/01 | 0675 | (S) | READ THE FIRST TIME - REFERRALS |
| 03/15/01 | 0675 | (S) | JUD, FIN |
| 03/26/01 | | (S) | JUD AT 2:00 PM BELTZ 211 |
| 03/26/01 | | (S) | Scheduled But Not Heard |
| 03/26/01 | | (S) | MINUTE(JUD) |
| 04/11/01 | | (S) | JUD AT 1:30 PM BELTZ 211 |
| 04/11/01 | | (S) | Moved CS(JUD) Out of Committee -- Meeting Postponed to 2:50 pm |
| 04/11/01 | | (S) | MINUTE(JUD) |
| 04/12/01 | 1093 | (S) | JUD RPT CS 3DP NEW TITLE |
| 04/12/01 | 1093 | (S) | DP: TAYLOR, THERRIAULT, COWDERY |
| 04/12/01 | 1093 | (S) | FN1: (DPS) |
| 04/12/01 | 1093 | (S) | FN2: (COR) |
| 04/12/01 | 1093 | (S) | FN3: ZERO(ADM) |
| 04/19/01 | | (S) | FIN AT 9:00 AM SENATE FINANCE 532 |
| 04/19/01 | | (S) | Heard & Held MINUTE(FIN) |
| 04/20/01 | 1193 | (S) | FIN RPT CS 9DP NEW TITLE |
| 04/20/01 | 1193 | (S) | DP: DONLEY, KELLY, GREEN, AUSTERMAN, |
| 04/20/01 | 1193 | (S) | HOFFMAN, OLSON, WILKEN, LEMAN, WARD |
| 04/20/01 | 1193 | (S) | FN1: (DPS) |

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|----------|------|-----|--|
| 04/20/01 | 1193 | (S) | FN2: (COR) |
| 04/20/01 | 1193 | (S) | FN4: ZERO(ADM) |
| 04/20/01 | 1193 | (S) | COSPONSOR(S): THERRIAULT, KELLY, |
| 04/20/01 | 1193 | (S) | TAYLOR, WILKEN, DAVIS, COWDERY, ELTON, |
| 04/20/01 | 1193 | (S) | ELLIS, DONLEY, LEMAN |
| 04/20/01 | | (S) | FIN AT 9:00 AM SENATE FINANCE 532 |
| 04/20/01 | | (S) | Moved CS(FIN) Out of Committee MINUTE(FIN) |
| 04/23/01 | 1216 | (S) | RULES TO CALENDAR 10R 4/23/01 |
| 04/23/01 | 1216 | (S) | FN5: (DPS) |
| 04/23/01 | 1216 | (S) | FN6: (COR) |
| 04/23/01 | 1221 | (S) | READ THE SECOND TIME |
| 04/23/01 | 1221 | (S) | FIN CS ADOPTED UNAN CONSENT |
| 04/23/01 | 1221 | (S) | ADVANCED TO THIRD READING UNAN CONSENT |
| 04/23/01 | 1221 | (S) | READ THE THIRD TIME CSSB 145(FIN) |
| 04/23/01 | 1222 | (S) | PASSED Y18 N1 A1 |
| 04/23/01 | 1224 | (S) | TRANSMITTED TO (H) |
| 04/23/01 | 1224 | (S) | VERSION: CSSB 145(FIN) |
| 04/23/01 | | (S) | RLS AT 10:45 AM FAHRENKAMP 203 |
| 04/23/01 | | (S) | MINUTE(RLS) |
| 04/24/01 | 1157 | (H) | READ THE FIRST TIME - REFERRALS |
| 04/24/01 | 1157 | (H) | STA, FIN |
| 04/24/01 | 1183 | (H) | CROSS SPONSOR(S): MOSES, FOSTER |
| 04/26/01 | | (H) | STA AT 8:00 AM CAPITOL 102 |

BILL: HB 198

SHORT TITLE:GOV SALARY;PUB OFFICERS RETIREMENT COLA
SPONSOR(S): REPRESENTATIVE(S)HUDSON

| Jrn-Date | Jrn-Page | | Action |
|----------|----------|-----|------------------------------------|
| 03/19/01 | 0649 | (H) | READ THE FIRST TIME - REFERRALS |
| 03/19/01 | 0649 | (H) | STA, FIN |
| 04/03/01 | | (H) | STA AT 8:00 AM CAPITOL 102 |
| 04/03/01 | | (H) | Heard & Held |
| 04/03/01 | | (H) | MINUTE(STA) |
| 04/26/01 | | (H) | STA AT 8:00 AM CAPITOL 102 |

BILL: HB 20

SHORT TITLE:AID TO MUNICIPALITIES AND OTHERS

SPONSOR(S): REPRESENTATIVE(S)MOSES

| Jrn-Date | Jrn-Page | | Action |
|----------|----------|-----|--|
| 01/08/01 | 0029 | (H) | PREFILE RELEASED 12/29/00 |
| 01/08/01 | 0029 | (H) | READ THE FIRST TIME - REFERRALS |
| 01/08/01 | 0029 | (H) | CRA, STA, FIN |
| 03/20/01 | 0669 | (H) | COSPONSOR(S): DAVIES |
| 03/20/01 | | (H) | CRA AT 8:00 AM CAPITOL 124 |
| 03/20/01 | | (H) | Moved CSHB 20(CRA) Out of Committee |
| 03/20/01 | | (H) | MINUTE(CRA) |
| 03/22/01 | 0679 | (H) | CRA RPT CS(CRA) 3DP 1DNP 2NR |
| 03/22/01 | 0679 | (H) | DP: KERTTULA, MURKOWSKI, MORGAN; |
| 03/22/01 | 0679 | (H) | DNP: MEYER; NR: GUESS, SCALZI |
| 03/22/01 | 0679 | (H) | FN1: ZERO(CED) |
| 03/22/01 | 0679 | (H) | FN2: ZERO(REV) |
| 04/05/01 | | (H) | STA AT 8:00 AM CAPITOL 102 |
| 04/05/01 | | (H) | Scheduled But Not Heard |
| 04/10/01 | | (H) | STA AT 8:00 AM CAPITOL 102 |
| 04/10/01 | | (H) | Heard & Held |
| 04/10/01 | | (H) | MINUTE(STA) |
| 04/12/01 | | (H) | STA AT 8:00 AM CAPITOL 102 |
| 04/12/01 | | (H) | Heard & Held MINUTE(STA) |
| 04/18/01 | 1052 | (H) | COSPONSOR(S): FOSTER |
| 04/26/01 | | (H) | STA AT 8:00 AM CAPITOL 102 |

BILL: HB 213

SHORT TITLE:INITIATIVE/REFERENDUM PETITIONS

SPONSOR(S): REPRESENTATIVE(S)WILLIAMS

| Jrn-Date | Jrn-Page | | Action |
|----------|----------|-----|------------------------------------|
| 03/26/01 | 0729 | (H) | READ THE FIRST TIME - REFERRALS |
| 03/26/01 | 0729 | (H) | STA, JUD, FIN |
| 03/26/01 | 0729 | (H) | REFERRED TO STATE AFFAIRS |
| 04/24/01 | | (H) | STA AT 8:00 AM CAPITOL 102 |
| 04/24/01 | | (H) | Bill Postponed |
| 04/26/01 | | (H) | STA AT 8:00 AM CAPITOL 102 |

WITNESS REGISTER

MARTHA GORE, Appointee
to the State Commission for Human Rights
8740 Pioneer Drive
Anchorage, Alaska 99504

POSITION STATEMENT: Testified as appointee to the State
Commission for Human Rights.

REPRESENTATIVE LISA MURKOWSKI
Alaska State Legislature
Capitol Building, Room 408
Juneau, Alaska 99801

POSITION STATEMENT: Sponsor of HJR 2.

ANNALEE McCONNELL, Director
Office of Management & Budget (OMB)
Office of the Governor
PO Box 110020

Juneau, Alaska 99811-0020

POSITION STATEMENT: During discussion of HJR 2, provided the
administration's viewpoint and responded to questions.

SENATOR RICK HALFORD
Alaska State Legislature
Capitol Building, Room 111
Juneau, Alaska 99801

POSITION STATEMENT: Sponsor of SB 145.

DOUG NORRIS, Major
Administrative Commander
Division of Alaska State Troopers
Department of Public Safety (DPS)
5700 East Tudor Road
Anchorage, Alaska 99507-1225

POSITION STATEMENT: Testified in support of SB 145.

BRAD ANGASAN, VPSO Program Manager
Bristol Bay Native Association (BBNA)
PO Box 310
Dillingham, Alaska 99576

POSITION STATEMENT: Testified in support of SB 145.

ROBIN F. LOWN, VPSO Program Manager
Tlingit-Haida Central Council (THCC)
and Central Council Tlingit & Haida Indian Tribes of Alaska
(CCTHITA)
320 West Willoughby Avenue, Suite 300
Juneau, Alaska 99801

POSITION STATEMENT: Testified in support of SB 145 and responded to questions.

CANDACE BROWER, Program Coordinator/Legislative Liaison
Office of the Commissioner
Department of Corrections (DOC)
431 North Franklin Street, Suite 203
Juneau, Alaska 99801

POSITION STATEMENT: During discussion of SB 145, provided the DOC's position and responded to questions.

JANET PARKER, Retirement & Benefits Manager
Division of Retirement & Benefits
Department of Administration (DOA)
PO Box 110203

Juneau, Alaska 99811-0203

POSITION STATEMENT: During discussion of SB 145, responded to questions.

KATHLEEN STRASBAUGH, Assistant Attorney General
Governmental Affairs Section
Civil Division (Juneau)
Department of Law (DOL)
PO Box 110300

Juneau, Alaska 99811-0300

POSITION STATEMENT: During discussion of SB 145, responded to questions.

REPRESENTATIVE BILL HUDSON
Alaska State Legislature
Capitol Building, Room 502
Juneau, Alaska 99801

POSITION STATEMENT: Sponsor of HB 198.

REPRESENTATIVE CARL MOSES
Alaska State Legislature
Capitol Building, Room 500
Juneau, Alaska 99801

POSITION STATEMENT: Sponsor of HB 20.

TIM BENINTENDI, Staff
to Representative Carl Moses
Alaska State Legislature
Capitol Building, Room 500
Juneau, Alaska 99801

POSITION STATEMENT: Assisted with the presentation of HB 20.

KEVIN RITCHIE, Executive Director
Alaska Municipal League
217 Second Street, Suite 200
Juneau, Alaska 99801
POSITION STATEMENT: Testified in support of HB 20.

RANDY RUARO, Staff
to Representative Bill Williams
Alaska State Legislature
Capitol Building, Room 511
Juneau, Alaska 99801
POSITION STATEMENT: Presented HB 213 on behalf of the sponsor,
Representative Bill Williams.

KENNETH P. JACOBUS, Attorney
425 G Street, Suite 920
Anchorage, Alaska 99501-2140
POSITION STATEMENT: Testified in opposition to HB 213.

AL ANDERS, Alaska Libertarian Party
2800 Valleywood Drive, Apartment B
Anchorage, Alaska 99517
POSITION STATEMENT: Testified in opposition to HB 213.

JAMES PRICE
PO Box 7043
Kenai, Alaska 99635
POSITION STATEMENT: Testified in opposition to HB 213.

ACTION NARRATIVE

TAPE 01-49, SIDE A
Number 0001

CHAIR JOHN COGHILL called the House State Affairs Standing Committee meeting to order at 8:03 a.m. Representatives Coghill, Fate, Stevens, Wilson, and Crawford were present at the call to order. Representatives James and Hayes arrived as the meeting was in progress.

CONFIRMATION HEARINGS

Human Rights Commission

Number 0060

CHAIR COGHILL announced that the committee would consider Martha Gore as appointee to the Human Rights Commission ("the commission").

Number 0140

MARTHA GORE, Appointee to the Human Rights Commission, testified via teleconference and noted that she is up for reappointment and has really enjoyed the first five years of her service. She said that she has been interested in civil/human rights for many, many years and has worked with [those issues] for many years. She mentioned that she has also worked in the legal field. She said that she looks at her reappointment to the commission as a way to serve the community and the state.

CHAIR COGHILL asked what issue came before the commission most often.

MS. GORE said that at one point, physical handicap and physical disability issues were high on the list, but right now, age discrimination is a big issue because the "baby boomers," although they are getting older, are still trying to work. She added, however, that the commission still has a lot of racial discrimination cases come before them; the last report - from 1/1/01 through 2/28/01 - shows that racial discrimination is still the top issue.

REPRESENTATIVE STEVENS thanked Ms. Gore for her service on the commission. He asked how the commission works: whether it simply focuses on complaints that come in or actively seeks out problems in the community.

MS. GORE explained that the commission reacts to [complaints of] discrimination and provides staff support. When a case comes before the commission, three members will be assigned to that case and they review the hearing examiner's decision. If a complainant is not satisfied with that decision, he/she can ask for reconsideration, which is then addressed by a member of the commission.

Number 0498

CHAIR COGHILL remarked that the committee had recently held a hearing on the topic of workforce parity between women and men. He asked Ms. Gore if the commission still receives complaints of sexual discrimination.

MS. GORE said yes, sexual discrimination is still an issue: the aforementioned report listed those types of complaints as the fourth highest in frequency. In response to a question, she said that she has not seen racial discrimination complaints by natives being brought forth with any greater frequency than racial discrimination complaints by other races. She noted that the commission encourages people to come to its public meetings.

CHAIR COGHILL, regarding the commission's "make-up," asked Ms. Gore whether she feels that she brings any specific attributes to the commission.

MS. GORE, after noting that she is a member of a minority, said that is not what makes her qualified to serve on the commission.

What makes me qualified to serve is the fact that I was brought up to love all people. I have the knowledge and I have the training to do the job, but most important is what's inside of me. I believe in fairness for all people. I really have never accepted discrimination, and I never will. ... I don't like to see it happen to anyone, and so I've always fought for equal opportunity and fairness for all. ... To me it's just a way of life, and it's something that we should just expect; we really should not have to legislate it, but we do.

MS. GORE concluded by saying that she would really appreciate all the support that the Human Rights Commission can get, because currently they do not have the support of all people: some people think that the commission is not necessary because if people go to church and have families that teach them not to hate, that should be the end of it. But unfortunately, she added, that is not true; "not all of us are that lucky."

Number 0868

REPRESENTATIVE FATE moved to report the nomination of Martha Gore to the Human Rights Commission out of committee. There being no objection, the confirmation was advanced.

Commissioner - Department of Administration

Alaska Public Offices Commission

Human Rights Commission

Number 0924

CHAIR COGHILL announced that the committee would again consider: Jim Duncan as appointee for Commissioner of the Department of Administration; Mark T. Handley as appointee to the Alaska Public Offices Commission; and Judge Roy Harding Madsen, (retired), as appointee to the Human Rights Commission. [These appointees were taken up again because on 3/15/01, the House State Affairs Standing Committee lacked a quorum to report all the nominations to the full legislature for consideration.]

Number 0991

REPRESENTATIVE WILSON moved to report the nomination of Jim Duncan as Commissioner of the Department of Administration; Mark T. Handley to the Alaska Public Offices Commission; and Judge Roy Harding Madsen, (retired), to the Human Rights Commission, out of committee. There being no objection, the confirmations were advanced.

HJR 2 - BIENNIAL STATE BUDGET

Number 1026

CHAIR COGHILL announced that the next order of business would be HOUSE JOINT RESOLUTION NO. 2, Proposing amendments to the Constitution of the State of Alaska relating to the duration of regular sessions of the legislature and to a biennial state budget.

Number 1040

REPRESENTATIVE LISA MURKOWSKI, Alaska State Legislature, sponsor, said that since the last hearing on HJR 2, she has considered the concept of implementing a pilot program rather than going forward with a constitutional amendment this year, adding that she recognizes that there is a lot to consider with regard to implementing a biennial budget.

Number 1112

ANNALEE McCONNELL, Director, Office of Management & Budget (OMB), Office of the Governor, explained that the administration has been interested in and has had a lot of internal discussion over the last several years about a biennial state budget. She opined that it would be extraordinarily helpful to go through a real working-group process with the legislature on this issue,

because if [OMB] simply puts together a biennial budget and then brings it to the legislature after passage of a constitutional amendment, then both the legislature and the administration would have to learn about all the things that should have been taken into account up front. By creating a working group composed of some legislators; OMB staff, including herself; and staff from other interested departments, issues surrounding a biennial state budget could be explored - not just the mechanics of how it would be done, but also the changes that would have to be made in the legislative process. She suggested that the working group could discuss all of these issues, such as how to modify the supplemental budget process, and then present the details - the pros and cons - as a whole, to the legislature next session.

MS. McCONNELL suggested that the working group could start this summer or early fall, after the administration is past it's "year-end business." She also noted that several of the departments interested in working on the issue of a biennial budget include: the Department of Law (DOL); the Department of Labor & Workforce Development; the Department of Health & Social Services (DHSS); and a range of other departments, both those with budgets that don't change very much from year to year and those that have fairly substantial changes every year - either because of "our own situation," or because of changes on the federal side. She remarked that "the issue about the federal side is one that has been difficult for states that have done biennial state budgeting, particularly when the feds are in the process of making major overhauls like they have in areas like ... workforce development ... or Welfare reform." She again suggested that the working group could address these issues and come back before the legislature in January with some solid ideas on how a biennial budget could work.

REPRESENTATIVE JAMES commented that she is supportive of a biennial budget process, and that Ms. McConnell's idea is an excellent one. She said a biennial budget would be a very good piece of a long-term fiscal plan. She opined that there is enough money to "forward fund" a biennial budget.

Number 1458

REPRESENTATIVE CRAWFORD noted that while he was campaigning, a lot of state employees in his district suggested to him that a biennial budget would help make government more efficient because a biennial budget would limit the amount of time state

employees spend each year working on budgets. He said he is in full support of a biennial budget.

MS. McCONNELL agreed that working on budgets does take up an inordinate amount of time for both the administration and the legislature.

REPRESENTATIVE MURKOWSKI, in response to a question, said that [the working group this summer] would have to include interested legislators, OMB staff, the DOL, the Department of Revenue (DOR), the budget subcommittee chairs of those two particular committees, and interested individuals within departments. When the working group comes back to the legislature in January, then other individuals could become involved as well. Addressing the committee, she said, "So I'm looking for volunteers, in other words."

MS. McCONNELL added that the Legislative Finance Division should also be included in the working group.

REPRESENTATIVE WILSON remarked that she is quite excited about [the idea of a biennial budget]. She said that in becoming a legislator, she was shocked to find that Alaska goes through its budgeting process every year. She said she hopes that the House State Affairs Standing Committee can forward, as a committee, a recommendation that "really puts the wheels in motion." She added that once a biennial budget is put in place, the state will benefit tremendously from it.

CHAIR COGHILL noted that the fluctuation in oil prices makes forecasting revenues difficult.

REPRESENTATIVE JAMES pointed out that a biennial budget would allow the legislature to come up with solutions to shortfalls in a timelier manner.

REPRESENTATIVE MURKOWSKI said that she would bring this topic back before the House State Affairs Standing Committee in January.

[HJR 2 was held over.]

SB 145 - VILLAGE PUB.SAFETY OFFICER PROGRAM

Number 1827

CHAIR COGHILL announced that the next order of business would be CS FOR SENATE BILL NO. 145(FIN), "An Act relating to regional and village public safety officers; relating to the expansion of the village public safety officer program to include the provision of probation and parole supervision services; and relating to retirement benefits for village public safety officers."

Number 1850

SENATOR RICK HALFORD, Alaska State Legislature, sponsor, said that since SB 145 is fairly self-explanatory, he would simply explain how he got interested in the concept of SB 145:

If you look in our correctional institutions, we see ... too many rural and village Alaskans. Should you ask why they're there, you see ... [that] too many are there for, essentially, probation violations. Three years ago, we started on an effort to try and get people back to the small communities ... [that] they came from. What happens is: ... people have alcohol problems; they get in trouble; they're incarcerated. As a condition of probation, they have to stay in an urban center or a regional center where all the alcohol, all the predators, and all the problems are. So, they go back through the cycle, and that's one of the many reasons that our system is not as fair as it could be.

So we've put in a demonstration project to try and get people back to their villages by allowing VPSOs [Village Public Safety Officers] to get a little bit of extra training and ... help in probation supervision; so somebody [on probation] that comes from a very small village can get back to where they've got family, where they've got support, [and] where they're away from all the problems [of] ... regional centers. That's been going for a couple of years and it worked. The first part of this bill makes that a statewide program. It also allows, as a part of that, ... for an increase in pay for VPSOs who take the training and go through the process and are working with the supervision, not only of Public Safety, but also the supervision of the probation/parole corrections people So, those are two elements of the bill.

Number 1957

SENATOR HALFORD continued:

The third element of the bill is to create a career path, so that these people who have a very high turnover rate and have a lot expected of them with very few resources, have at least someplace to be headed. The turnover rate is something like two years, [which] costs ... something like \$6,000 or \$7,000 to train these people. About half the people you see go through the program are trying to get into some kind of law enforcement, and that's the way to get some training to be a security guard somewhere, or something else. They're not really committed to going back into Village-Public-Safety-Officer work on a long-term basis. We want to increase that; we'll save the money in training. ... That's the third leg of [SB 145]: ... a career path.

The fourth leg of it is a retirement program that is the state's basic retirement program in PERS [Public Employees' Retirement System]; it's not the public safety retirement program, it's not the highest cost one, but at least it's a basic safety net. Depending on which of the corporations they work through, the retirement programs are good, bad, or indifferent. This gives them a choice of getting into that [PERS] retirement [program]. So it's a four-legged program for what I consider the best deal there is, in law enforcement, in the State of Alaska in the areas of the highest need and the lowest local resources.

REPRESENTATIVE JAMES thanked Senator Halford for bringing SB 145 before the committee, and said she is very impressed.

SENATOR HALFORD added that although the fiscal note shows about \$1.1 million, the thing that can't be quantified is how much the state will save by keeping people from going back into "corrections." He opined that SB 145 provides a real savings to the state, not just in cash, but also in what it does for the people.

REPRESENTATIVE STEVENS said it seems to him that some of the biggest problems pertaining to VPSOs are burnout and lack of career and retirement opportunities. He asked what career opportunities would be made available via SB 145.

Number 2100

SENATOR HALFORD explained that SB 145 creates a tier between a State Trooper and a VPSO, called a Regional Public Safety Officer (RPSO). He added that the fiscal note reflects four RPSOs positions, which are intended to be filled from the ranks of the VPSOs rather than "filled from above." The RPSOs would have the same responsibility and training as full police officers, and hopefully would not have to leave their own community, although they would be responsible for the VPSOs from the other communities in the area/region. The RPSO [position] is intended to be a career path for the VPSO program.

SENATOR HALFORD noted that one of the things that VPSOs need is support; they get it from the Troopers, which also gives them the respect of the community. But if they're having trouble with somebody, they're unarmed and they don't have a lot of power or force in a small community. However, if someone, who has obviously been giving the VPSO a hard time in front of the rest of the community, leaves for Bethel or a regional center in handcuffs with a Trooper, the message gets back that the Troopers are out there working with, supporting, helping, and backing up the VPSOs. Then the VPSO in that community is respected. That's a part of the package, he opined; it will take more supervision and more help at the Trooper level.

REPRESENTATIVE CRAWFORD noted that according to testimony heard at previous meetings, there are about 70 villages that have no law enforcement at all. He asked how far SB 145 would go towards bringing VPSOs to those villages.

SENATOR HALFORD said that SB 145 upgrades the VPSO program from top to bottom, and it creates new opportunities. However, it doesn't pick up a large chunk of added funds from communities that don't already have VPSOs. "There are several options for that," he added, one of which is some federal money that is tied to "dry communities." He explained that for SB 145, he was working under the limitations of "about a million dollars" in terms of fiscal notes. In response to questions, he clarified that it is the fiscal note that specifies four RPSOs, whereas SB 145 simply creates the RPSO program. With regard to which regions are going to get an RPSO, he said he tends to look at the poorest areas of the state, "certainly somewhere in the Chalista (ph) region, Lower Yukon/Lower Kuskokwim, ... probably Interior Rivers, and maybe ... Southeast." He added, however, that he would leave that decision to the people who know what is

really needed: the Department of Public Safety (DPS) and the VPSO coordinators.

Number 2393

CHAIR COGHILL asked, "Are we going to run into trouble with probation authority given to VPSOs?"

SENATOR HALFORD explained that probation authority is unique in that it is judge, jury, and sentence, all at the same time. A full state probation/parole officer can "violate" somebody and take him/her into custody, right then and there, based on that person's performance. "That is not something that you give to the VPSOs," he clarified, "that is something that remains with Corrections." What is being proposed via SB 145 is a coordinated power that is less than the ability to simply violate somebody on the spot. The Department of Corrections (DOC) personnel really have a unique authority as officers of the court to act in a far more expeditious manner than most others.

CHAIR COGHILL noted that SB 145 is going to allow the PERS retirement system to work through corporations. He asked whether the state is going to be able to do that contractually.

SENATOR HALFORD said that the state would be able to do so. He noted that both the municipal league and school boards are set up in a similar fashion. State government employs neither group, yet both qualify for PERS. He added, however, that there has been some concern expressed regarding how the Internal Revenue Service (IRS) will treat a VPSO retirement program, but noted that he has seen a legal analysis which indicates that, "We're OK."

Number 2502

DOUG NORRIS, Major, Administrative Commander, Division of Alaska State Troopers, Department of Public Safety (DPS), testified via teleconference and stated that he has worked with the VPSO program on and off for about half of his career. He said simply that the Alaska State Troopers support SB 145; "it goes a long way for our wanting of more troopers and VPSOs, and also that midlevel officer, the RPSO." In response to a question, he said that he did not foresee any problems with the VPSOs working with correctional officers, which they already do, off and on, as needed.

Number 2586

BRAD ANGASAN, VPSO Program Manager, Bristol Bay Native Association (BBNA), testified via teleconference and said that the BBNA has been a participant in the parole supervision pilot project for the last two fiscal years. This pilot project delegates authority to VPSOs so that they can perform adult felony probation duties. "What we've been able to provide is direct on-site monitoring and instant accountability, as well as judicial follow-through of a probationer." One of the more obvious benefits is that this service is delivered locally within the probationer's respective community, and this service eliminates "potential and infrequent response" of the district probation officer, who is at times handicapped by geographic location and other unknown factors.

MR. ANGASAN said that on top of allowing probationers to effectively assimilate back to their villages, the BBNA has experienced some significant direct results: specifically, reduction in annual turnover of VPSO staff. At one time the turnover rate was above 50 percent but is currently at an all time low of about 10 percent. He said the BBNA attributes this to the increased compensation for VPSOs on the pilot program, although it is still difficult to hire people at the entry level VPSO salary. He added that the BBNA endorses the provisions allowing VPSOs into the PERS. Currently, he said, the BBNA's retirement program is pretty meager - about 5 percent; "we're simply unable to provide long lasting security for employees." He also said that regardless of the BBNA's immediate turnover rate, they anticipate that many officers will most likely move onto other career tracks that offer equitable pension security. "Much to our distaste; we'd rather employ an officer and be able to keep that person on and maintain a career track within our organization" In conclusion, he said the BBNA endorses SB 145.

Number 2764

ROBIN F. LOWN, VPSO Program Manager, Tlingit-Haida Central Council (THCC), and Central Council Tlingit & Haida Indian Tribes of Alaska (CCTHITA), said he is also the chairman of the VPSO Coordinators Committee, which consists of the VPSO coordinators from the nine nonprofit organizations that run the state's VPSO program. In response to a question about the PERS provision of SB 145, he said that the nine nonprofits each have a different retirement system: some of them are really nice and some of them are not; some offer small annuities and some have

regular retirement systems. The PERS provision of SB 145 "will bring everybody up to the same standard," which will be very helpful in enhancing the VPSO program.

CHAIR COGHILL asked whether the PERS provision would reduce the [retirement program] standard for some VPSOs.

MR. LOWN noted that the way SB 145 is currently written, a VPSO has the ability to "opt out" of the PERS. In some of the nonprofits, the retirement [program] is better than PERS, so some VPSOs would "opt out," he surmised. He added that if any retired state employees are working for one of these nonprofit organizations as a VPSO/RPSO, he/she would probably "opt out" so as not to give up state retirement benefits. Mr. Lown noted that in addition to the BBNA, the other eight nonprofit organizations that have VPSOs also support SB 145. He then listed low pay and lack of benefits as some of the factors involved in the current high turnover rate of VPSOs; SB 145 goes a long way towards helping resolve some of those problems. He also noted that the RPSO position gives VPSOs someplace to go, career-wise.

REPRESENTATIVE STEVENS asked what purpose the RPSO position would serve, aside from providing a career opportunity for a VPSO.

TAPE 01-49, SIDE B
Number 2988

MR. LOWN said that the oversight function an RPSO would be performing is currently done by the Alaska State Troopers. The ratio of VPSOs to RPSOs, however, would be less than it currently is for the troopers providing oversight now.

REPRESENTATIVE CRAWFORD noted that VPSOs are on call 24 hours a day. He asked whether VPSOs are allowed to "go on with other tasks," for example, subsistence hunting and fishing, or other aspects of their lives.

MR. LOWN clarified that the VPSOs are not required to be on call 24 hours a day, but because they are living in the community they serve, and everybody knows who they are and where they live, they are, in effect, on call all the time. He added that VPSOs can leave the village to tend to other things, and there are some provisions that allow them to go subsistence fishing. But the problem is that VPSOs are right there, and they're the

ones that people go to when there are problems, which leads to "burnout."

REPRESENTATIVE WILSON asked whether the RPSOs would carry guns.

MR. LOWN explained that according to SB 145, the RPSOs will be fully certified police officers: they will attend the academy, they will get Alaska Police Standards certification, and they will be full police officers. In response to another question, he said that in comparison to a trooper, the RPSO will be more attuned to the smaller area, more familiar with the local people, and hopefully they will even be from that area.

CHAIR COGHILL, after noting that probation/parole responsibilities will be a big part of SB 145, asked the DOC to comment on its role regarding that provision.

Number 2808

CANDACE BROWER, Program Coordinator/Legislative Liaison, Office of the Commissioner, Department of Corrections (DOC), explained that because of the way in which the pilot program is working with the BBNA, the DOC envisions that this program, when applied statewide, will be very beneficial to the DOC because, obviously, the DOC can not have probation officers in all those villages. The provision in SB 145 would provide training for the VPSOs who are already located in the villages, and these VPSOs would provide an extra set of eyes and ears. They would be able to do some of tasks that a probation officer can do, such as get urinalysis samples and Breathalyzer samples, have probationers and parolees report in to them, and monitor the behavior of the probationers and parolees. In response to a question, she confirmed that when VPSOs have this additional authority they will be given more respect in the village. She noted, however, that the VPSOs would be accountable to DOC probation/parole officers, so the likelihood of VPSOs taking advantage of that extra authority would be minimized.

Number 2684

JANET PARKER, Retirement & Benefits Manager, Division of Retirement & Benefits, Department of Administration (DOA), in response to a question, assured the committee that the PERS retirement provision of SB 145 can work. She noted that similar programs have already been set up. Since the funding is coming from the state, there is a connection between the government and these [nonprofit] entities and therefore, she opined, this

provision can be worked out. She added, however, that the division did want to wait until they received an IRS ruling on this issue so as not to jeopardize the tax-qualification status of the program. With regard to a timeframe for a response, she noted that the division still has to ask for a ruling on this issue, but has been told that the IRS is fairly responsive to inquiries from government agencies.

CHAIR COGHILL, after noting that many of the nonprofit corporations involved in the VPSO program are Native corporations, asked whether tribal sovereignty would become an issue if SB 145 becomes law.

Number 2662

KATHLEEN STRASBAUGH, Assistant Attorney General, Governmental Affairs Section, Civil Division (Juneau), Department of Law (DOL), pointed out that since the VPSO program is already a cooperative program, the essential contract between the state and the corporations isn't really going to be changed by SB 145. She added that in any discussion with the IRS the state will note both the governmental and nongovernmental aspects of what the corporations do and what the role of the VPSO is. She opined that SB 145 does not make any fundamental changes to the cooperative relationship that the state has had with these corporations for years, particularly since VPSOs can "opt out" of the PERS retirement program if they so choose.

REPRESENTATIVE JAMES said that her concern is that a VPSO's ability to choose PERS will "water down" what the corporations offer since retirement programs often become stronger when there are more participants.

SENATOR HALFORD opined that the number of VPSOs involved is quite small compared to the total number of people involved in nonprofit corporations' retirement programs; therefore the VPSOs will not have a significant effect on those retirement programs.

REPRESENTATIVE FATE, after noting that only four RPSOs are funded via SB 145, asked what future fiscal needs are anticipated. He opined that to have a successful program, in addition to more VPSOs, more RPSOs would also be needed.

SENATOR HALFORD explained that the four RPSO are the new people in this "baseline program," and that although the VPSO program is being upgraded as a statewide system, the size issues beyond this are not yet being dealt with. He said that the more VPSOs

there are, the more "certified police enforcement" would be needed to backup the VPSOs. Without enough proper backup, VPSOs are in greater danger. After acknowledging that "the need is out there in small communities," he, too, noted that there are about 70 communities that do not have any law enforcement.

Number 2243

REPRESENTATIVE HAYES moved to report CSSB 145(FIN) out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSSB 145(FIN) was reported from the House State Affairs Standing Committee.

HB 198 - GOV SALARY; PUB OFFICERS RETIREMENT COLA

Number 2196

CHAIR COGHILL announced that the next order of business would be HOUSE BILL NO. 198, "An Act relating to a post-retirement pension adjustment and cost-of-living allowance for persons receiving benefits under the Elected Public Officers Retirement System; and increasing the compensation of the governor."

Number 2187

REPRESENTATIVE BILL HUDSON, Alaska State Legislature, sponsor, offered a committee substitute (CS) for HB 198, version 22-LS0723\L, Cramer, 4/23/01, and explained that the CS simplifies HB 198. He said he has taken out any reference to an increase in pay for the governor, and narrowed the scope in order to contain costs and focus on the most extreme cases - correcting the longstanding inequity between retirement benefit calculations for those in the Elected Public Officers Retirement System (EPORS) and those in the Public Employees Retirement System (PERS).

REPRESENTATIVE HUDSON said that language in the CS concentrates on members who have not had one cost-of-living or other benefit adjustment to their EPORS retirement benefits for 15 years or more. This narrows it down to just a handful of people. This is a basic equity situation, he said. It follows the same rules as every other retirement program in that when a retiree reaches age 65, he or she is eligible for 75 percent of the cost of living increase, and it also takes care of the surviving spouse. It will cover one retired governor, two retired lieutenant governors, and/or their surviving spouses/next of kin.

REPRESENTATIVE HUDSON said the fiscal note has been cut down to \$47,600. "Of all of the things that I've done, I believe this is the fairest bill," he said; "this is equity. These are people who've been left out [of] ... all other systems ... for, in some cases, in excess of 20 years." In all of the other state retirement programs, a surviving spouse can receive 50 percent of what the retiree received, he said. "If somebody receives 50 percent of a retirement program that has not ... kept up with the cost of living increase for ... 20-some years, that person ends up ... with about 15 percent of whatever they're supposed to have, and it's not right," he stated. He then urged the committee to adopt the CS.

Number 1964

REPRESENTATIVE JAMES made a motion to adopt the proposed committee substitute (CS) for HB 198, version 22-LS0723\L, Cramer, 4/23/01, as a work draft. There being no objection, the proposed CS was before the committee.

Number 1923

REPRESENTATIVE JAMES moved to report the proposed committee substitute (CS) for HB 198, version 22-LS0723\L, Cramer, 4/23/01, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 198(STA) was reported from the House State Affairs Standing Committee.

HB 20 - AID TO MUNICIPALITIES AND OTHERS

Number 1888

CHAIR COGHILL announced that the next order of business would be HOUSE BILL NO. 20, "An Act relating to state aid to municipalities and certain other recipients, and for the village public safety officer program; relating to municipal dividends; relating to the public safety foundation program; and providing for an effective date." [Before the committee was CSHB 20(CRA).]

CHAIR COGHILL called an at-ease from 9:12 a.m. to 9:13 a.m.

Number 1831

REPRESENTATIVE CARL MOSES, Alaska State Legislature, sponsor, explained that he introduced HB 20 in view of the fact that

municipal sharing has been drastically cut over the past several years. Because of these cuts, local governments have had to raise taxes in their communities. He opined that a major step towards a long-range [fiscal] plan must include some use of the surplus earnings of the permanent fund. He suggested that HB 20 would free up approximately \$50 million in general funds (GF) by eliminating what is left of revenue sharing programs and other municipal assistance programs. He added that HB 20 retains legislative powers of appropriation, enhances community security, helps avoid subjecting the permanent fund to IRS (Internal Revenue Service) taxation, and puts more money in the pockets of Alaskans. He noted that it has been very frustrating, while sitting on the House Finance Committee, to hear that Alaska can't fund education because of a projected [fiscal] gap of more than \$600 million. Freeing up this \$50 million, he said, would go a long ways towards funding education, both K-12 and the University of Alaska. He requested that the House State Affairs Standing Committee forward HB 20 on to the House Finance committee.

REPRESENTATIVE JAMES said she supports HB 20, and noted that they and the municipal league have been working very hard on this concept for the last two years. She added that in talking with people around the state after the advisory vote of 1999 regarding the long-term financial plan, she found that there were a combination of reasons why people voted no, one of which was that they were confused by the advertisements and therefore felt it was better to vote no rather than vote yes for something they didn't understand. Some people voted no because they felt the legislature's long-term financial plan was flawed. Also, she found that some people voted no because they honestly believed that the budget could be cut further instead of taking money from the earnings reserve of the permanent fund and thus jeopardizing their permanent fund dividend (PFD). She noted, however, that the people she talked with favored the concept of a municipal dividend as is proposed in HB 20 because, as municipal assistance and revenue sharing is reduced, local taxes have increased. She opined that the formula in HB 20 is tied directly to the PFD calculation; thus there is a direct relationship between the number of people in a community and the amount of money that community will receive to pay for services.

CHAIR COGHILL asked, "Are we entering into the arena of dedicated funds in going this route?"

REPRESENTATIVE MOSES said, "Not that I can see."

Number 1342

TIM BENINTENDI, Staff to Representative Carl Moses, Alaska State Legislature, sponsor, explained that HB 20 may imply dedication of funds, which is no different than a lot of other programs, but does not do so literally. According to the provisions of HB 20, on June 30th of every year, the number of PFDs paid the prior year would be multiplied by \$150. Other provisions of HB 20 would then be used to determine, according to communities' needs and populations, how this pool of money would be distributed. He added that HB 20 provides that if the earnings reserve account does not support that calculated amount, less money would go into the pool. He also noted that the appropriations responsibility of the legislature remains intact, thus providing more flexibility as well.

REPRESENTATIVE STEVENS said that as former borough mayor, he was often concerned about the [budget] cuts the legislature imposed. These cuts, he noted, were not to the cost of "doing government," rather, those costs were simply passed on to the local communities, forcing local governments to raise property taxes to pay for basic services. "In a way it was sort of a shell game; the public didn't really see any reduction in the cost of government, in fact, they paid for it one way or the other," and he opined that HB 20 goes a long way towards paying for those basic public services of police, fire, and emergency medical service (EMS). He then asked for an explanation "on the whole issue of the public purposes of the permanent fund," because, he said, he keeps hearing that the state is not paying federal taxes on the permanent fund on the condition that this money is being used for public purposes. But, he added, it appears to him that the state has not been doing that. He suggested that HB 20 would clarify that the money is being used for public purposes, and thus legitimize the permanent fund's federal tax status.

REPRESENTATIVE MOSES said that according to his understanding, there has never been a decision made by the IRS regarding the permanent fund's tax status. He said this leaves open the possibility that the IRS could, in the future, consider the permanent fund a taxable fund if it is not being used for any public purpose. He commented that a lot of people don't realize that HB 20 should translate into lower local taxes, or at least reduce the chances of local taxes being increased, either of which is a tax benefit since receiving the PFD often puts people in higher federal tax bracket, whereas people don't receive any

tax benefit for having taken money out of their pockets to pay for local property or sales taxes.

Number 1001

REPRESENTATIVE JAMES agreed that certainly, PFDs couldn't be considered a public purpose. She opined that the sooner the permanent fund can be used for something that has a public purpose, as is proposed in HB 20, the more likely the IRS can be dissuaded from taxing that fund. She then made the comment that adoption of HB 20 would essentially be adding another \$150 worth of benefits to everyone's PFD by contributing that money to local communities to pay for local services, which is perhaps one of the reasons she heard no opposition to this concept.

REPRESENTATIVE FATE expressed the concern that to him, it is somewhat like a tax on the general fund (GF) because, he suggested, the GF money comes from the permanent fund earnings reserve account. It would be a tax on everyone who receives a PFD benefit, he added, and that money has to come from somewhere, and in this instance that would be the permanent fund earnings reserve account, some of which goes back into the corpus of the permanent fund, and some of which pays for inflation proofing, the PFD, and government. Although he applauds the efforts of HB 20, he said he worries about the unintended consequences.

REPRESENTATIVE JAMES, to clarify, countered that the money that is in the earnings reserve account of the permanent fund does not ever go to the general fund (GF). With regard to money from the earnings reserve being used to pay for government, she also clarified that that would only happen when there is extra money, which, she opined, is not going to happen any time in the near future.

CHAIR COGHILL asked if provisions in HB 20 would impact the VPSO program in any way.

Number 0610

MR. BENINTENDI said that the VPSO provision in HB 20 authorizes \$15 per PFD recipient to go to the VPSO program via the department, which would manage the money and filter it down as appropriate. He calculated, using last year's figures of PFD recipients, that the amount would be approximately \$8.6 million for the VPSO program. He said that this is just one of the mechanisms by which this money is put right back on the street.

CHAIR COGHILL, referring to page 13, asked if HB 20 would have entities such as Native village councils, which are not necessarily state entities or incorporated entities, working with these matching state grants.

MR. BENINTENDI explained that unincorporated communities with only a tribal council are eligible under ongoing departmental programs, so HB 20 creates nothing new in that regard.

REPRESENTATIVE WILSON likened what the legislature has been doing to municipalities over the last few years with regard to revenue sharing to a runaway train on a steep slope: "it is going to crash." She opined that HB 20 is going to give municipalities a predictable, reliable source of income, which they sorely need, and it addresses many basic community needs. She added that HB 20 is like a light at the end of a tunnel, and she plans to vote in favor of it.

REPRESENTATIVE HAYES said that he agrees with many of the previous comments in favor of HB 20; it is legislation that is needed for a long-range plan.

Number 0371

KEVIN RITCHIE, Executive Director, Alaska Municipal League (AML), said that HB 20 is very accountable. "When you go out to the public and they say, 'Well, if you want to use some money, how exactly are going to do it, 'cause we want to know,' ... this bill really lays that out in the sense that the public sees where the money goes and [that] these are, in fact, the highest priorities of the public" He also mentioned that Alaskans United, which was the group that worked on the taxicab campaign, is coming back to assist with the creation of a deliberative process in each community to ensure that everyone has the same information that the legislature has. He concluded by noting that according to the Office of Management and Budget (OMB), a 1 percent sales tax in Alaska would bring in \$70 million per year, whereas the earnings of the permanent fund is \$2.1 billion. He then noted that in order to create something as big as the earnings of the permanent fund, it would take a 30 percent sales tax.

CHAIR COGHILL, referring to [pages 3-4], asked whether any of the municipalities have said that the provision regarding taxpayer notification is too onerous.

MR. RITCHIE said that no one had, and pointed out that this provision of HB 20 is current law, and simply adds the Public Safety Foundation Program.

TAPE 01-50, SIDE A
Number 0001

REPRESENTATIVE WILSON moved to report CSHB 20(CRA) out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 20(CRA) was reported from the House State Affairs Standing Committee.

HB 213 - INITIATIVE/REFERENDUM PETITIONS

[HJR 25 was mentioned briefly during this discussion of HB 213.]

Number 0111

CHAIR COGHILL announced that the last order of business would be HOUSE BILL NO. 213, "An Act relating to initiative and referendum petitions; and providing for an effective date."

Number 0118

RANDY RUARO, Staff to Representative Bill Williams, Alaska State Legislature, sponsor, explained on behalf of the sponsor that HB 213 and HJR 25 address the initiative process in the State of Alaska, ensuring a broad level of statewide support of an issue prior to that issue being put before the voters. Currently, he said, the sponsor of an initiative can gather all the required signatures from just a few areas of the state; the current system neither requires nor promotes a statewide perspective in determining which topics will appear on the ballot as an initiative. On behalf of Representative Williams, Mr. Ruaro urged the committee to support HB 213.

Number 0273

KENNETH P. JACOBUS, Attorney, testifying via teleconference in opposition to HB 213, noted that he has just faxed the committee documents that were submitted last year in response to [HB 45 and HJR 7] from the 21st Legislature, legislation similar to this year's HB 213 and HJR 25 but which, he added, were not as bad as the current legislation. He noted that he has two points to discuss. His first point is that although HB 213 seems like a simple change, it in fact destroys the entire initiative process. He said:

It takes one signature requirement that we had before [and] converts it to 31 signature requirements [If] you miss one of your signature requirements, your bill will not be on the ballot. What this does is takes the initiative process totally away from the average individual; the only people that will even be able to participate are [those involved in] the well-financed initiatives - the special interest groups who come up to Alaska with their money to get something passed. We don't want to do that.

On the second point: ... I don't really see, as an Alaskan Republican, why the Republicans of Alaska should lead the charge to deprive the voters of Alaska of their constitutional rights to initiative. We want to elect a Republican governor at the next election and retain Republican seats in the newly reapportioned legislature. We cannot have a proposed constitutional amendment on the ballot which will detract from this and allow our opponents to argue that the Republicans want to deprive the voters of Alaska of their initiative rights. We had this problem last time. It was a good idea to try to take the subject of wildlife out of the initiative process, but we absolutely got roasted on that, and that went down. This particular bill that Representative Williams ... [has] proposed, although he may have good intentions, ... [is] a bad bill, and it should be defeated at this point. The people of Alaska should not have their rights of initiative taken away from them.

Number 0512

UWE KALENKA testified via teleconference and said simply that from his perspective, HB 213 is totally unnecessary and is a thinly veiled attempt to deprive the people of their rights of initiative. The electorate will become even more jaded and distrustful of the politicians and the process if this bill is passed into law. "This bill is ill-conceived, ill-advised, and should not be passed into law, period," he concluded.

Number 0581

AL ANDERS, Alaska Libertarian Party, testified via teleconference and said that he, too, opposes HB 213. It is already extremely difficult to put initiatives on the ballot,

and it can be difficult securing permission to use certain locations for circulating petitions, even in a populated area such as Anchorage. What HB 213 does is change it "from one petition drive to 30 different petition drives because you have to get 7 percent of the signatures in each district." He suggested that instead of making it more difficult to put initiatives on the ballot, the legislature should make it easier. The initiative process is too important to the citizens of Alaska to deprive them of it, and is far more democratic than simply having all issues decided by the legislature, he opined. People don't always have the time to attend legislative hearings, but when an initiative goes on the ballot, people participate. If the goal is to ensure that people from all districts become involved in the initiative process, he said, then the format should be changed from a booklet to a single sheet that could be downloaded off the Internet.

REPRESENTATIVE HAYES said, "In fairness to the voters, if you want a statewide initiative on a ballot, you should have representation from each part of the state." He said he thinks HB 213 makes perfectly good sense and would be good public policy.

MR. ANDERS responded that there is no demonstrated need for HB 213, and that the requirements proposed by it make the initiative process extremely onerous; "it's going to kill the initiative process for citizen activists." He opined that only well-funded environmentalists groups, or other groups who are able to afford it, would be able to put initiatives on the ballot.

MR. JACOBUS noted that Randall Patterson, who had to leave the meeting before his name was called, was also opposed to HB 213.

Number 0967

JAMES PRICE testified via teleconference and said that he is opposed to HB 213. "I believe that it needlessly dilutes the constitutional powers of the people; I don't think there's been any past problems with any kind of trivial initiatives, and I don't believe that there is a problem that requires a legislative fix or this type of amendment." He opined that the initiative process is a valuable and necessary power wielded by the people of Alaska. He also opined that HB 213 would make ballot initiatives more expensive and difficult to pursue.

CHAIR COGHILL announced that HB 213 would be held over.

ADJOURNMENT

Number 1071

There being no further business before the committee, the House State Affairs Standing Committee meeting was adjourned at 9:51 a.m.