

ALASKA STATE LEGISLATURE

SENATE RULES COMMITTEE

May 7, 2002

9:40 a.m.

MEMBERS PRESENT

Senator Randy Phillips, Chair
Senator John Cowdery, Vice Chair
Senator Rick Halford
Senator Johnny Ellis

MEMBERS ABSENT

Senator Gene Therriault

COMMITTEE CALENDAR

SENATE BILL NO. 369

"An Act relating to trusts, including trust protectors, trustee advisors, and transfers of trust interests, and to creditors' claims against property subject to a power of appointment; and providing for an effective date."

ADOPTED A SENATE RULES COMMITTEE SUBSTITUTE AND APPROVED FOR CALENDARING.

SENATE BILL NO. 370

"An Act establishing procedures relating to constitutional conventions."

SCHEDULED BUT NOT HEARD

HOUSE BILL NO. 52

"An Act relating to the Interstate Compact for Adult Offender Supervision and the State Council for Interstate Adult Offender Supervision; amending Rules 4 and 24, Alaska Rules of Civil Procedure; and providing for an effective date."

APPROVED FOR CALENDARING

CS FOR HOUSE BILL NO. 128(L&C)(efd add)

"An Act relating to the required approval of the commissioner of labor and workforce development for the employment of certain minors; and providing for an effective date."

APPROVED FOR CALENDARING

CS FOR HOUSE BILL NO. 305(STA) am

"An Act prohibiting certain state employment, a student loan, or a permanent fund dividend for a person who fails to register for

the military selective service; and providing for an effective date."

ADOPTED A SENATE RULES COMMITTEE SUBSTITUTE AND APPROVED FOR CALENDARING.

HOUSE BILL NO. 374

"An Act naming the David Douthit Veterans' Memorial Bridge."

APPROVED FOR CALENDARING

CS FOR HOUSE BILL NO. 397(STA)

"An Act exempting a person driving certain motor vehicles, aircraft, or watercraft from driver licensing requirements; and providing for an effective date."

HEARD AND HELD

HOUSE BILL NO. 458

"An Act relating to periods of probation for state employees; and providing for an effective date."

HEARD AND HELD

CS FOR HOUSE BILL NO. 523(TRA)

"An Act naming the state airport at the City of Unalaska the Tom Madsen Airport."

APPROVED FOR CALENDARING

HOUSE BILL NO. 262

"An Act relating to accounting for and appropriations of receipts from fees collected by the Department of Labor and Workforce Development for certain inspections and for certain plumbing and electrical worker certificates of fitness; establishing a building safety account; and providing for an effective date."

ADOPTED A SENATE RULES COMMITTEE SUBSTITUTE AND APPROVED FOR CALENDARING

PREVIOUS COMMITTEE ACTION

SB 369 - See Judiciary minutes dated 5/1/02.

SB 370 - See State Affairs minutes dated 5/2/02.

HB 52 - See Judiciary minutes dated 5/1/02, Finance Report dated 2/19/02.

HB 128 - See Labor and Commerce minutes dated 4/11/02, Finance Report dated 5/3/02.

HB 305 - See State Affairs minutes dated 4/25/02.

HB 374 - See State Affairs minutes dated 4/11/02 and

Transportation minutes dated 4/30/02.

HB 397 - See Transportation minutes dated 4/16/02 and 4/30/02.

HB 458 - See State Affairs minutes dated 4/30/02.

HB 523 - See Transportation minutes dated 5/2/02.

WITNESS REGISTER

Senator Robin Taylor
Alaska State Capitol
Juneau, AK 99801-1182
POSITION STATEMENT: Sponsor of SB 369

Representative Lisa Murkowski
Alaska State Capitol
Juneau, AK 99801-1182
POSITION STATEMENT: Sponsor of 262 and HB 305

Mr. Dave Stewart
Personnel Manager
Department of Administration
PO Box 110200
Juneau, AK 99811-0200
POSITION STATEMENT: Explained the contents of HB 458

Ms. Annette Kreitzer
Staff to Senator Lemam
Alaska State Capitol
Juneau, AK 99801-1182
POSITION STATEMENT: Answered questions about SCS CSHB 262(RLS)

Representative Vic Kohring
Alaska State Capitol
Juneau, AK 99801-1182
POSITION STATEMENT: Opposed to amending HB 397

ACTION NARRATIVE

TAPE 02-12, SIDE A
Number 001

CHAIRMAN RANDY PHILLIPS called the Senate Rules Committee meeting to order at 9:40 a.m. Senators Cowdery, Halford, Ellis and Phillips were present. The first order of business to come before the committee was SB 369.

#SB 369

SB 369-POWERS OF APPOINTMENTS/TRUSTS/CREDITORS

SENATOR TAYLOR thanked the committee for holding a hearing on SB 369 because he noted the Department of Law has raised a concern that the trust created by SB 369, which is basically a protective trust, might be structured in such a way that it could protect the beneficiary from obligations due to the state under Medicaid. A person could put money into a trust and get the value of their assets low enough to qualify for Medicaid treatment for a long term care facility. Once the person passes on, the trust must be available to pay the remainder of the costs of the long term care and reimburse the state. It was never the intent of the legislation to allow the trust to be used to avoid those costs. He noted he has a proposed amendment to correct that oversight, which the Department of Law supports.

CHAIRMAN PHILLIPS said that he would place SB 369 at the bottom of the calendar due to time constraints.

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#SB 370

SENATOR HALFORD moved to calendar **SB 370-CONSTITUTIONAL CONVENTION PROCEDURES** at the Chairman's discretion.

SENATOR ELLIS indicated that he had questions for the sponsor.

CHAIRMAN PHILLIPS said that the sponsor was testifying at another committee hearing so he would put SB 370 at the bottom of the calendar also to await his arrival.

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#HB 52

CHAIRMAN PHILLIPS informed members that committee packets contain an analysis and fiscal note for **HB 52-COMPACT FOR ADULT OFFENDER SUPERVISION.**

SENATOR ELLIS moved to calendar HB 52 with its accompanying fiscal notes at the Chairman's discretion.

CHAIRMAN PHILLIPS announced that with no objection, the motion carried.

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#HB 128

CHAIRMAN PHILLIPS informed members that Representative Scott Ogan, sponsor of **HB 128-APPROVAL FOR EMPLOYMENT OF MINORS**, was available to answer questions.

SENATOR COWDERY moved to calendar HB 128 with its accompanying fiscal notes at the Chairman's discretion.

CHAIRMAN PHILLIPS noted that with no objection, the motion carried.

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#HB 305

REPRESENTATIVE LISA MURKOWSKI, sponsor of CSHB 305(STA)am - NONCOMPLIANCE WITH SELECTIVE SERVICE, informed the Chairman that the Permanent Fund Division has requested an amendment (Amendment 1), which Senator Therriault has agreed to sponsor. She then explained that the House adopted a provision that requires the Permanent Fund Dividend to notify an applicant who is not in compliance with selective service registration and to give the applicant an opportunity to come into compliance before forfeiting the applicant's dividend. Her intent was to make HB 305 an awareness tool, not a penalty. The amendment adopted on the House floor was removed in the Senate State Affairs Committee because members felt it was unnecessary. After that, the Permanent Fund Division decided that it should be included.

CHAIRMAN PHILLIPS asked who would be responsible for the amendment.

REPRESENTATIVE MURKOWSKI said that Senator Therriault was planning to present it.

SENATOR ELLIS offered to move Amendment 1.

CHAIRMAN PHILLIPS announced that with no objection, Amendment 1 was adopted.

SENATOR COWDERY moved to calendar SCS CSHB 305(RLS). There being no objection, the motion carried.

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#HB 374

SENATOR ELLIS moved to calendar HB 374-NAMING DOUTHIT VETERANS' MEMORIAL BRIDGE with its accompanying fiscal notes at the Chairman's discretion.

CHAIRMAN PHILLIPS announced that with no objections, the motion carried.

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#HB 397

CHAIRMAN PHILLIPS announced that CSHB 397(STA)- EXEMPTIONS FROM

DRIVER'S LICENSING would be placed at the bottom of the calendar.
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#HB 458

SENATOR ELLIS moved to calendar HB 458-STATE EMPLOYEE PROBATIONARY PERIOD and its accompanying fiscal notes at the Chairman's discretion.

SENATOR HALFORD asked if HB 458 extends the probationary period.

MR. DAVID STEWART, Personnel Manager with the Department of Administration, explained that it allows for a continuation of the long-standing practice of extending the probationary period when necessary.

SENATOR HALFORD asked if it can also be shortened under the collective bargaining agreement.

MR. STEWART said the collective bargaining agreement contains language that allows early permanent status at any time after completion of 50 percent of the probationary period. HB 458 does not allow that to be shortened.

SENATOR HALFORD said he was curious as this is the first time the collective bargaining agreement is being put in statute in this way. He then objected to calendaring the legislation.

CHAIRMAN PHILLIPS announced that Senators Cowdery, Halford and Phillips were opposed to calendaring HB 458 at this time, and Senator Ellis was in favor. He announced the bill would be held in committee.

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#HB 523

SENATOR HALFORD moved to calendar CSHB 523(TRA)-TOM MADSEN AIRPORT AT UNALASKA.

CHAIRMAN PHILLIPS announced that with no objection, the motion carried. He then announced the committee would take up Senator Taylor's bill, SB 369.

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#SB 369

SENATOR HALFORD moved to adopt Amendment 1 to CSSB 369(RLS)-POWERS OF APPOINTMENTS/TRUSTS/CREDITORS, which he would sponsor.

CHAIRMAN PHILLIPS announced that with no objection, Amendment 1 was adopted.

SENATOR HALFORD moved to calendar - CONFIRMATION ADVANCED
CSSB 369(RLS) at the Chairman's discretion with its accompanying
zero fiscal note.

CHAIRMAN PHILLIPS announced that with no objections, the motion
carried.

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#HB 262

The committee took up **HB 262-STATE PROGRAM RECEIPTS/ BLDG.SAFETY
ACCT.**

REPRESENTATIVE MURKOWSKI, sponsor of HB 262, informed members
that the Majority Caucus discussed the proposed amendment to HB
262 and has agreed to accept it. Concern was expressed that there
be truth in accounting. The co-chairs of both Finance Committees
are working through the provisions and House members will
participate in the conversations. She noted she will not be
objecting to the changes.

SENATOR ELLIS asked for a description of the agreement the Senate
Majority is pressuring the House to accept.

CHAIRMAN PHILLIPS asked Ms. Kreitzer to explain.

MS. ANNETTE KREITZER, staff to Senator Leman, a member of the
Senate Finance Committee, said she was here on behalf of the
Senate Finance Committee.

CHAIRMAN PHILLIPS asked if the Division of Parks will be covered
under Section 5.

MS. KREITZER said that Version P is before the committee at this
time. Language on page 2, lines 5-9, of Version P encompasses all
general fund program receipts that are available in the operating
budget, amounting to about \$2.8 million. That language allows a
conference committee flexibility in what it could choose to do
with receipt supported services. In response to Senator Ellis's
question, she said she thinks the agreement so far is that the
House will not object to amending this bill to include receipt
supported services.

SENATOR ELLIS stated that since the endowment for the foreign
trade division in the Department of Community and Economic
Development was eliminated in the Senate Finance budget, one
proposal from the department and House members was to double the
business license fee to "make up for that cannibalization of that

endowment in your budget and that this would be the vehicle for that." He asked if the fee increase is contained in Version P or whether it will be in the future.

MS. KREITZER said she is not aware of the conversations Senator Ellis referred to. She noted the Department of Revenue requested that business license receipts be identified separately, which they are in this legislation.

SENATOR ELLIS cautioned that someone figure out whether another bill will be necessary to double the business license fees to make up for what he considers to be a big mistake in the budget.

SENATOR HALFORD moved to adopt Version P as the Senate Rules Committee substitute.

CHAIRMAN PHILLIPS announced that with no objection, Version P was adopted.

SENATOR HALFORD moved to calendar SCS CSHB 262(RLS) with its accompanying fiscal note.

CHAIRMAN PHILLIPS informed Senator Ellis that he would try to get an answer to his question.

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#SCR 36

SENATOR HALFORD moved to calendar **SCR 36-SUSPEND UNIFORM RULES FOR HB 262** at the Chairman's discretion.

CHAIRMAN PHILLIPS announced that with no objection, the motion carried.

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#HB 397

The committee again took up **CSHB 397(STA)-EXEMPTIONS FROM DRIVER'S LICENSING**.

SENATOR HALFORD asked if the amendment adds drivers' licenses and reverses the direction of the bill.

SENATOR THERRIAULT said it does not.

CHAIRMAN PHILLIPS said it pertains to safety classes.

SENATOR HALFORD asked Representative Kohring if he supports the amendment.

REPRESENTATIVE VIC KOHRING, sponsor of HB 397, said he does not as it would change the direction of the bill.

CHAIRMAN PHILLIPS announced that the committee would meet later today so he would hold HB 397 and SB 370 until that time. There being no further business to come before the committee, he adjourned the meeting at 10:00 a.m.

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