

ALASKA STATE LEGISLATURE

SENATE RULES COMMITTEE

May 8, 2002

9:31 a.m.

MEMBERS PRESENT

Senator Randy Phillips, Chair
Senator John Cowdery, Vice Chair
Senator Gene Therriault
Senator Johnny Ellis

MEMBERS ABSENT

Senator Rick Halford

COMMITTEE CALENDAR

#SB 252

SENATE BILL NO. 252

"An Act renaming the Alaska Human Resource Investment Council as the Alaska Workforce Investment Board and relating to its membership; repealing the termination date of the state training and employment program; relating to employment and training activities; and providing for an effective date."

SCHEDULED BUT NOT HEARD

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SENATE BILL NO. 355

"An Act establishing an account in the general fund to receive general gifts, donations, and bequests to the State of Alaska."

APPROVED FOR CALENDARING

SENATE BILL NO. 371

"An Act exempting the use of munitions in certain areas from a waste disposal permit requirement of the Department of Environmental Conservation."

APPROVED FOR CALENDARING

CS FOR HOUSE BILL NO. 4(FIN) am

"An Act relating to motor vehicles and to operating a motor vehicle, aircraft, or watercraft; and providing for an effective date."

APPROVED FOR CALENDARING

CS FOR HOUSE BILL NO. 32(JUD) am

"An Act relating to the forfeiture of property used to possess or distribute child pornography, to commit indecent viewing or

photography, to commit a sex offense, or to solicit the commission of, attempt to commit, or conspire to commit possession or distribution of child pornography, indecent viewing or photography, or a sexual offense."

APPROVED FOR CALENDARING

CS FOR HOUSE BILL NO. 225(FIN) am

"An Act relating to state taxation of alcoholic beverages; and increasing the alcoholic beverage state tax rates."

ADOPTED A SENATE RULES COMMITTEE SUBSTITUTE AND APPROVED FOR CALENDARING

CS FOR HOUSE BILL NO. 274(L&C)

"An Act relating to the qualification of a physician used for an employer's independent medical examination and to the authority of the Alaska Workers' Compensation Board to provide an expedited hearing when an employee needs medical treatment; and providing for an effective date."

APPROVED FOR CALENDARING

SENATE CONCURRENT RESOLUTION NO. 37

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning House Bill No. 274, relating to workers' compensation.

APPROVED FOR CALENDARING

CS FOR HOUSE BILL NO. 286(RES) am

"An Act allowing a person to hold two commercial fishing entry permits for a salmon fishery for the purpose of consolidating the fishing fleet for a salmon fishery; relating to salmon fishery associations and to salmon fishery assessments; and providing for an effective date."

APPROVED FOR CALENDARING

CS FOR HOUSE BILL NO. 344(STA)

"An Act increasing fees for driver's licenses, instruction permits, and identification cards; and providing for an effective date."

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."

APPROVED FOR CALENDARING

CS FOR HOUSE BILL NO. 421(RES)(title am)

"An Act relating to requiring the Department of Natural Resources

to develop and maintain a standardized procedure for processing applications and issuing permits, authorizations, and certifications under the Alaska Water Use Act and to make a record of those items and amendments and orders affecting them available on the Internet."

APPROVED FOR CALENDARING

CS FOR HOUSE BILL NO. 504(FIN) am

"An Act relating to the wages of people working in the fisheries business."

APPROVED FOR CALENDARING

CS FOR HOUSE BILL NO. 515(FIN) am

"An Act relating to missions and measures to be applied to certain expenditures by the executive branch of state government and the University of Alaska and by the judicial branch of state government from the state operating budget for the fiscal year ending June 30, 2003; and providing for an effective date."

APPROVED FOR CALENDARING

SENATE BILL NO. 371

"An Act exempting the use of munitions in certain areas from a waste disposal permit requirement of the Department of Environmental Conservation."

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

CS FOR HOUSE BILL NO. 225(FIN) am

"An Act relating to state taxation of alcoholic beverages; and increasing the alcoholic beverage state tax rates."

ADOPTED A SENATE RULES COMMITTEE SUBSTITUTE AND APPROVED FOR CALENDARING

CS FOR SENATE BILL NO. 252(RLS)

"An Act renaming the Alaska Human Resource Investment Council as the Alaska Workforce Investment Board and relating to its membership; relating to repayment on promissory notes for work-related items paid for by grant programs; extending the termination date of the state training and employment program; relating to employment and training activities; and providing for

an effective date."
HEARD AND HELD

PREVIOUS COMMITTEE ACTION

SB 355 - See State Affairs minutes dated 4/11/02 and Finance Report dated 4/30/02.

SB 371 - See Resources minutes dated 5/3/02.

HB 4 - See Judiciary minutes dated 5/5/01 and Finance Report dated 5/6/02.

HB 32 - See Judiciary minutes dated 4/20/01 and 4/23/01 and Finance Report dated 5/7/02.

HB 274 - See Labor and Commerce minutes dated 3/14/02 and 5/4/02.

HB 286 - See Resources minutes dated 4/8/02 and 4/24/02 and Judiciary minutes dated 5/3/02.

HB 344 - See State Affairs minutes dated 4/23/02 and Finance Report dated 5/1/02.

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

HB 421 - See Resources minutes dated 4/12/02 and Finance Report dated 5/3/02.

HB 504 - See Labor and Commerce minutes dated 4/25/02 and Finance Report dated 5/1/02.

HB 515 - See Finance Report dated 5/1/02.

SB 252 - See Labor and Commerce minutes dated 2/14/02, 4/18/02 and 4/25/02 and Finance Report dated 5/6/02.

SB 371 - See Resources minutes dated 5/3/02.

HB 262 - See Labor and Commerce minutes dated 3/21/02, State Affairs minutes dated 4/2/02 and Finance Report dated 4/18/02.

HB 225 - No previous committee action.

WITNESS REGISTER

Representative Joe Hayes
Alaska State Capitol
Juneau, AK 99801-1182

POSITION STATEMENT: Sponsor of HB 32

Linda Sylvester
Staff to Representative Kott
Alaska State Capitol
Juneau, AK 99801-1182

POSITION STATEMENT: Testified on behalf of the sponsor of HB 344

Representative Vic Kohring
Alaska State Capitol
Juneau, AK 99801-1182

POSITION STATEMENT: Opposed amending CSHB 397(STA)

Commissioner Ed Flanagan
Department of Labor & Workforce
Development
PO Box 21149

Juneau, AK 99802-1149

POSITION STATEMENT: Testified on SB 252 on behalf of the Administration

Jerry Burnett
Staff to Senator Green
Alaska State Capitol
Juneau, AK 99801-1182

POSITION STATEMENT: Testified on behalf of the sponsor of SB 355

Representative Lisa Murkowski
Alaska State Capitol
Juneau, AK 99801-1182

POSITION STATEMENT: Sponsor of HB 262

Annette Kreitzer
Staff to Senator Leman
Alaska State Capitol
Juneau, AK 99801-1182

POSITION STATEMENT: Answered questions about SCS CSHB 262(RLS)

Nancy Slagle
Division of Administrative Services
Department of Transportation &
Public Facilities
3132 Channel Dr.
Juneau, AK 99801-7898

POSITION STATEMENT: Explained and supported amendments to HB 262

ACTION NARRATIVE

TAPE 02-12, SIDE A
Number 001

CHAIRMAN RANDY PHILLIPS called the Senate Rules Committee meeting to order at 9:31 a.m. Senators Ellis, Therriault and Phillips were present. He announced that SB 252, HB 225 and HB 262 will be placed at the bottom of the calendar because amendments have been proposed to those pieces of legislation.

#SB355

SENATOR THERRIAULT moved to calendar SB 355-LET ME HELP ACCOUNT and its zero fiscal note at the Chairman's discretion.

SENATOR ELLIS objected and asked for an explanation of the bill.

CHAIRMAN PHILLIPS noted that he would put SB 355 on the bottom of the calendar.

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#SB371

SENATOR ELLIS asked for a brief explanation of SB 371-WASTE PERMIT & COASTAL ZONE EXEMPTIONS.

SENATOR THERRIAULT explained:

This came from a proposed amendment to the [indisc.] office - the general permit bill. There's litigation currently that alleges that the state agencies are misinterpreting the solid waste disposal permit statutes. The court case asked the court to interpret the statutes to require a solid waste permit for the operations of a bombing or firing range so this [indisc.] basically just enshrines the current and past administrative interpretation of the solid waste permit. It clarifies that it's not needed on an active range - active bombing or firing range.

SENATOR ELLIS asked if enacted, the bill will play into an ongoing court case.

SENATOR THERRIAULT replied it would by enshrining the current and longstanding interpretation of our statutes.

SENATOR ELLIS said he would prefer to let the case run its course before the legislature weighs in.

CHAIRMAN PHILLIPS asked Senator Ellis if he would oppose calendaring the bill.

SENATOR ELLIS said he would.

CHAIRMAN PHILLIPS announced that SB 371 would be placed at the

bottom of the calendar.

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#HB 4

The committee took up CSHB 4(FIN)am - DRUNK DRIVING & MOTOR VEHICLES/BOATS/PLANE.

SENATOR ELLIS moved to calendar CSHB 4(FIN)am and its accompanying fiscal notes at the Chairman's discretion.

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

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#HB 32

CHAIRMAN PHILLIPS announced that CSHB 32(JUD)am - SEX CRIME AND PORNOGRAPHY FORFEITURES was before the committee.

SENATOR ELLIS moved to calendar CSHB 32(JUD)am.

SENATOR THERRIAULT said he has received conflicting information from the court system and police departments as to whether this legislation is needed. He was told the computers can be seized and have been in certain circumstances. He asked to hear from a representative of the prime sponsor's office.

CHAIRMAN PHILLIPS announced that he would hold the bill but noted that he has provided 48 hours of notice on the bills on today's calendar.

REPRESENTATIVE HAYES arrived so the committee continued its discussion of CSHB 32(JUD)am.

SENATOR THERRIAULT again explained the conflicting positions he has received on this bill and asked what this bill will change and what was wrong with the discretionary system used by the court system. He advised that he does not want to create a situation in which police departments seize equipment because they want the latest model computers from businesses.

REPRESENTATIVE HAYES said that issue was brought up in the House and intent language was placed in the bill to specifically address it. Equipment will be seized only from the person who actually committed the crime and is convicted. Nothing will be seized from a business; the equipment must be personal.

SENATOR THERRIAULT asked how that would apply to computer equipment in a household - whether the person convicted owns it or the person's spouse.

REPRESENTATIVE HAYES said that would depend on whoever purchased

the equipment.

SENATOR THERRIAULT asked whether the court would make that finding. He questioned what would happen if he bought the computer but his wife paid the credit card bill.

REPRESENTATIVE HAYES said in that situation, he would assume the police would have to make a determination about who the computer belongs to and who committed the crime.

SENATOR THERRIAULT said he plans to approve this bill for calendaring but he has heard on the federal level about police seizing cars in drug busts because they want the cars for undercover work. He does not want to create a similar situation.

REPRESENTATIVE HAYES said that since this bill was introduced last year, there have been 14 cases of child pornography or soliciting sex from minors in Alaska. He just talked to the FBI, which has just completed a huge national operation in which it found 90 people involved in a child pornography network. The FBI will be sending a letter today in support of this bill. He told Senator Therriault that if the problem with his comfort level is with police departments seizing equipment, he is not averse to including schools.

SENATOR ELLIS moved to calendar CSHB 32(JUD)am and its accompanying fiscal notes at the Chairman's discretion.

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

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#HB 274

SENATOR THERRIAULT moved to calendar CSHB 274(L&C) - WORKERS' COMP: HEARING/MEDICAL EXAM and its accompanying zero fiscal note.

CHAIRMAN PHILLIPS noted that without objection, the motion carried.

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#SCR 37

CHAIRMAN PHILLIPS announced that SCR 37-SUSPEND UNIFORM RULES FOR HB 274 will need to accompany HB 274.

SENATOR THERRIAULT moved to calendar SCR 37 at the Chairman's discretion.

CHAIRMAN PHILLIPS announced that without objection, the motion carried.

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#HB 286

SENATOR COWDERY moved to calendar CSHB 286 (RES) am-FISHING PERMITS/ASSOCIATIONS/ASSESSMENTS with its accompanying fiscal note at the Chairman's discretion.

CHAIRMAN PHILLIPS announced that without objection, the motion carried.

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#HB 344

SENATOR COWDERY moved to calendar CSHB 344 (STA)-INCREASE DRIVER'S LICENSE/PERMIT FEES with its accompanying fiscal notes at the Chairman's discretion.

TAPE 02-12, SIDE B

SENATOR ELLIS asked for an explanation of CSHB 344(STA).

MS. LINDA SYLVESTER, staff to Representative Kott, told members that HB 344 increases driver's license fees for the first time since 1993. The Department of Administration submitted a fiscal note with a cost of \$500,000. That money will be used to convert the Division of Motor Vehicles' Polaroid manual photography system to a digital one. That change will bring Alaska up to the national security standards encouraged the federal government. Alaska is the last state to use the Polaroid system.

SENATOR COWDERY asked if a driver's license will contain more information if the bill passes.

MS. SYLVESTER said it merely puts the information into a new format. The information on current drivers' licenses is mandated by statute. HB 344 eliminates the need for a social security number on the driver's license. The driver's license will contain a bar code, which a policeman can scan. In addition, drivers' licenses for minors will be made using a landscape rather than a portrait format for easy identification.

SENATOR COWDERY asked if the airlines will have the same ability to scan a driver's license for identification.

MS. SYLVESTER said that possibility has not come up in testimony. However, if one loses a license while traveling, the division can replace the license using the original digital photo. Right now, the division can issue a temporary replacement but cannot transmit the photograph.

SENATOR COWDERY repeated his motion to calendar CSHB 344(STA).

CHAIRMAN PHILLIPS announced that without objection, the motion carried.

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#HB 397

SENATOR COWDERY moved to calendar CSHB 397(STA)- EXEMPTIONS FROM DRIVER'S LICENSING and its three accompanying fiscal notes at the Chairman's discretion.

SENATOR ELLIS said it was his understanding that this bill was held up for further amending.

CHAIRMAN PHILLIPS said it is the policy of the Chairman, if the sponsor objects to the amendments, to let the bill go to the floor where amendments can be offered.

SENATOR THERRIAULT said he was considering offering an amendment. He told Representative Kohring, sponsor of HB 397, that he is personally torn on this bill because as a child he delivered newspapers via snowmachine in the winter. However, his snowmachine wasn't a fuel-injected rocket on skis. HB 397 removes any kind of requirement for operation of a snow machine. He said he is concerned about 12 and 13 year olds driving machines that weight thousands of pounds that travel at 70 and 80 miles per hour. He asked what should be done about when parents allow their children to use those machines recklessly.

REPRESENTATIVE KOHRING said that violating property rights or reckless endangerment is more of an enforcement issue and that law enforcement officers will have to be attentive to that. HB 397 simply eliminates the need for a driver's license. He does not see how getting a driver's license, which proves competency to drive a car on a city street, as being germane to driving a snowmachine out in the woods. He suggested the legislature look at legislation in the future that deals with safety issues, similar to Representative Hudson's bill on boating safety. He noted the Alaska Snowmobile Representatives' Alliance is suggesting something along that line be done in state regulations and certification.

SENATOR COWDERY said the question of what to do with a 13 year old who gets on a missile was raised in the Senate Transportation Committee. He said the same issue occurs when a 13 year old gets in a parent's car. He said he believes it is the parents' responsibility to see that doesn't happen. He pointed out that this [amendment] could affect battery operated four wheelers for toddlers.

SENATOR ELLIS said he believes CSHB 397(STA) is an incomplete package. He hears from the medical professionals who deal with

the "kids on the missiles" with traumatic head injuries. He stated he wishes there was an effort to address some of the safety concerns in this bill. He added that the boating safety legislation took almost 20 years to pass and it applied primarily to adults. He hopes the sponsor will give more consideration to minimal safety requirements.

CHAIRMAN PHILLIPS said he shares Senator Ellis's concerns and that two or three amendments will be proposed on the Senate floor.

SENATOR ELLIS noted objection to Senator Cowdery's motion to calendar CSHB 397(STA).

CHAIRMAN PHILLIPS announced that the motion to calendar HB 397 carried with Senators Therriault, Cowdery and Phillips in favor and Senator Ellis opposed.

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#HB 421

SENATOR COWDERY moved to calendar CSHB 421(RES)(title am)-WATER USE ACT PROCEDURES & RECORDS at the Chairman's discretion with its attached fiscal notes.

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

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#HB 504

SENATOR COWDERY moved to calendar CSHB 504(FIN)am - WAGES FOR WORKERS IN FISHERIES at the Chairman's discretion.

SENATOR ELLIS objected.

CHAIRMAN PHILLIPS announced the motion carried with Senators Therriault, Cowdery and Phillips in favor and Senator Ellis opposed.

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#HB 515

CHAIRMAN PHILLIPS asked if members had any questions about CSHB 515(FIN)am - OPERATING BUDGET MISSIONS AND MEASURES.

SENATOR ELLIS asked if HB 515 was sponsored by the House Finance Committee.

SENATOR THERRIAULT said he believes it is a committee bill. He then moved to approve for calendaring CSHB 515(FIN) am with its zero fiscal note at the Chairman's discretion.

CHAIRMAN PHILLIPS announced that with no objection, the motion

carried.

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#SB 252

CHAIRMAN PHILLIPS indicated that Senator Ellis had a proposed amendment to SB 252-EMPLOYMENT AND TRAINING PROGRAM/BOARD.

SENATOR ELLIS moved to adopt Amendment 1. He said Amendment 1 is a technical amendment and that a representative from the Department of Labor and Workforce Development was available to answer questions.

SENATOR COWDERY objected.

COMMISSIONER ED FLANAGAN, Department of Labor and Workforce Development (DOLWD), told members that Amendment 1 is technical. An amendment was adopted by the Senate Finance Committee that pertained to the percentage available for administrative costs: rather than 15 percent of the total amount, it would be based on 20 percent of the amount actually expended in the prior year. That amendment changed language on page 16, line 29. Senator Ellis's amendment merely corrects an earlier reference on page 9 to make it consistent with the Senate Finance Committee amendment.

SENATOR COWDERY removed his objection.

SENATOR THERRIAULT asked if Amendment 1 will make the language consistent throughout that the administrative costs are based on 20 percent of prior year expenditures.

COMMISSIONER FLANAGAN said that is correct.

SENATOR THERRIAULT asked if the legislative auditor agrees that the two references need to be the same.

COMMISSIONER FLANAGAN said he could not speak for the legislative auditor.

SENATOR THERRIAULT said he believes Amendment 1 is appropriate.

COMMISSIONER FLANAGAN clarified that Amendment 1 makes the change in two places: page 9 and page 21.

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

SENATOR ELLIS moved to calendar SB 252-EMPLOYMENT AND TRAINING PROGRAM/BOARD with its accompanying fiscal notes at the Chairman's discretion.

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

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#SB 355

SENATOR COWDERY moved to calendar SB 355-LET ME HELP ACCOUNT and its zero fiscal note at the Chairman's discretion.

SENATOR ELLIS objected for the purpose of an explanation.

MR. JERRY BURNETT, staff to Senator Lyda Green, sponsor of SB 355, explained that SB 355 provides people with an opportunity to contribute to the state to close the fiscal gap. SB 355 was inspired by Governor Huckabee's "Tax Me More Fund" in Arkansas.

SENATOR ELLIS asked if SB 355 is a serious effort.

MR. BURNETT said it is.

SENATOR COWDERY asked if the program in Arkansas was successful.

MR. BURNETT said, to his understanding, it has not been successful. Although the residents were asking for taxes, they were not willing to contribute voluntarily. It has only raised about \$4,000.

SENATOR THERRIAULT asked if the "Let Me Help Account" allows people to designate to specific government programs.

MR. BURNETT said SB 355 does not speak to designation but it could be used for that purpose.

SENATOR THERRIAULT read, "... for which no specific purpose is stated shall be deposited into the account," and asked how a contribution to a particular program will be handled.

MR. BURNETT said that it is his understanding that the contribution will go to that particular program. He added that donations will be tax deductible on federal income taxes if a person itemizes.

SENATOR ELLIS noted it is expensive for a bill to travel through the legislative process and that the cost of this bill may exceed the amount it collects. He pointed out that Senator Leman proposed legislation that pertains to assignment of permanent fund dividends for charitable donations. He commended that legislation to the Chairman.

SENATOR COWDERY repeated his motion to calendar SB 355.

CHAIRMAN PHILLIPS announced that without objection, SB 355 would be calendared.

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#SB 371

SENATOR THERRIAULT moved to calendar SB 371-WASTE PERMIT & COASTAL ZONE EXEMPTIONS and its zero fiscal notes at the Chairman's discretion.

SENATOR ELLIS objected.

CHAIRMAN PHILLIPS announced that the motion carried with Senators Therriault, Cowdery and Phillips in favor and Senator Ellis opposed.

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#HB 262

CHAIRMAN PHILLIPS announced that the committee would again take up HB 262-STATE PROGRAM RECEIPTS/ BLDG.SAFETY ACCT. and that members adopted version P but Version O was now under consideration.

REPRESENTATIVE LISA MURKOWSKI, sponsor of HB 262, told members, "I'm okay with it Mr. Chair, quite honestly, doing the laundry list to make it add up rather than the more generic paragraph ..."

CHAIRMAN PHILLIPS asked if she has any objections to Version O.

REPRESENTATIVE MURKOWSKI said she does not.

MS. ANNETTE KREITZER, staff to Senator Leman and testifying on behalf of the Senate Finance Committee, informed members that two amendments to HB 262 have been proposed. The first is a request from the Department of Transportation and Public Facilities (DOTPF) and pertains to passenger facility charges. It will allow DOTPF, as recommended by the Division of Legislative Budget and Audit, to account for the passenger facility charges separately as the FAA requires. She said it is her understanding that the Finance Committee Chairs of both houses have no objection to this amendment. It does not affect the intent of the bill, it is a vehicle to correct an accounting problem.

CHAIRMAN PHILLIPS asked if the passenger facility fees are being charged now.

MS. KREITZER said they are.

MS. NANCY SLAGLE, Division of Administrative Services, DOTPF, verified that DOTPF has been collecting passenger facility fees since October of 2000.

SENATOR COWDERY moved to adopt Version 0 as the working document of the committee.

CHAIRMAN PHILLIPS announced that with no objection, Version 0 was adopted.

SENATOR ELLIS moved to adopt Amendment 1.

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

MS. KREITZER explained the next proposed amendment adds a reference to AS 02.15.020, which pertains to fingerprint-based criminal background checks that DOTPF is required to do on airport employees.

MS. SLAGLE explained that the FAA has required DOTPF to do fingerprint-based criminal background checks on anyone with access to secure areas of Alaska's certificated or international airports, as a result of the 9/11 event. DOTPF has requested about \$110,000 in the Homeland Security appropriation bill for receipt authority to charge airline employees and concessionaire employees a fee for processing the background checks.

CHAIRMAN PHILLIPS identified the amendment to insert, after AS 02.15.090 on page 3, line 13, "and AS 02.15.020" [Amendment 2].

SENATOR ELLIS offered to sponsor that amendment and moved to adopt it. Without objection, it was so ordered.

SENATOR COWDERY moved to calendar Version 0 of HB 262 as amended.

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

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#HB 225

The committee took up **CSHB 225(FIN)am-ALCOHOLIC BEVERAGE TAX.**

CHAIRMAN PHILLIPS announced that a Senate Rules Committee substitute (Version X) had been prepared.

SENATOR COWDERY moved to adopt SCS CSHB 225(RLS) for the purpose of discussion.

CHAIRMAN PHILLIPS asked Representative Murkowski if she had any objections to Version X.

REPRESENTATIVE MURKOWSKI, sponsor of HB 225, said if Version X gives certain members the comfort level they need to support the

measure, she does not object. She said that she sees this as an attempt to direct certain monies toward treatment programs while recognizing that funds cannot be dedicated.

CHAIRMAN PHILLIPS said Sections 3 and 4 were added in Version X and offered to hold it in committee for 24 hours so that members could study it further.

REPRESENTATIVE MURKOWSKI clarified that Section 4 is new as well as the purpose clause. Section 3 was in the existing bill.

SENATOR THERRIAULT asked what happened to the section that allowed local governments to adjust the rates and deal with local problems.

REPRESENTATIVE MURKOWSKI said that was in the initial draft of HB 225 but became complicated with the discussion of an increase to the excise tax. One section of the bill was about an excise tax while another was about the ability to assess on a sales tax. It became far more complicated than the House was able to deal with at that point in time so the House Labor and Commerce Committee deleted that portion of the bill.

CHAIRMAN PHILLIPS again asked Representative Murkowski if Version X was acceptable to her.

REPRESENTATIVE MURKOWSKI said it is.

SENATOR COWDERY moved to calendar SCS CSHB 225(RLS) [Version X] with any accompanying fiscal notes.

CHAIRMAN PHILLIPS announced that without objection, the motion carried.

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#SB 252

SENATOR THERRIAULT expressed concern about an amendment that was adopted to SB 252. He said it was his understanding that they were dealing with two sections pertaining to administrative costs on the STIP funds. He thought the two sections, on pages 9 and 21, dealt with administrative costs. However, on page 21, the language that was amended has nothing to do with the STIP program. He asked that the bill be held for 24 hours.

CHAIRMAN PHILLIPS announced that he would hold SB 252 in committee for 24 hours for the purpose of clarification. He then adjourned the meeting at 10:20 a.m.

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