

ALASKA STATE LEGISLATURE
SENATE STATE AFFAIRS COMMITTEE

February 27, 2001
3:40 p.m.

MEMBERS PRESENT

Senator Gene Therriault, Chair
Senator Randy Phillips, Vice Chair
Senator Rick Halford
Senator Drue Pearce
Senator Bettye Davis

MEMBERS ABSENT

All Members Present

COMMITTEE CALENDAR

SENATE JOINT RESOLUTION NO. 14

Urging President Bush, the United States Department of State, and the United States Congress to intervene and negotiate with the government of Canada to reconsider the imposition of a fee to transport firearms through Canada.

MOVED CS SJR 14 (STA) OUT OF COMMITTEE

SENATE BILL NO. 103

"An Act relating to election campaigns and legislative ethics; and providing for an effective date."

MOVED CS SB 103 (STA) OUT OF COMMITTEE

SENATE BILL NO. 102

"An Act relating to the information required in an application for, and to display of social security numbers on, certain licenses and instructional permits; and providing for an effective date."

MOVED SB 102 OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

SJR 14 - No previous action recorded.

SB 103 - See State Affairs minutes dated 2/22/01.

SB 102 - No previous action recorded.

WITNESS REGISTER

Joe Balash, staff to Senator Therriault
Alaska State Capitol, Room 121
Juneau, AK 9980-1182

POSITION STATEMENT: Explained provisions of SJR 14 and changes to SB 103

Senator Robin Taylor
Alaska State Capitol, Room 30

POSITION STATEMENT: Sponsor of SJR 4

Rod Arno
Alaska Outdoor Council
P.O. Box 73902
Fairbanks, AK 99707

POSITION STATEMENT: Supports SJR 14

Susie Barnett, Administrator
Select Committee on Legislative Ethics
P.O. Box 101468
Anchorage, AK 99510-1468

POSITION STATEMENT: Commented on CS SB 103

Brooke Miles, Assistant Director
Alaska Public Offices Commission
2221 E. Northern Lights, Room 128
Anchorage, AK 99508-4149

POSITION STATEMENT: Answered questions on SB 103

Holly Morris, staff to Senator Therriault
Alaska State Capitol, Room 121
Juneau, AK 99801-1182

POSITION STATEMENT: Introduced SB 02

Chuck Hosack, Deputy Director
Division of Motor Vehicles
3300B Fairbanks
Anchorage, AK 99503

POSITION STATEMENT: Testified on SB 102

Del Smith, Deputy Director
Department of Public Safety
P.O. Box 111200
Juneau, AK 99811-1200

POSITION STATEMENT: Commented on SB 102

ACTION NARRATIVE

TAPE 01-9, SIDE A

Number 001
#SJR14

CHAIRMAN THERRIAULT called the Senate State Affairs Committee meeting to order at 3:40 p.m. Present were Senators Davis, Pearce, Phillips and Chairman Therriault.

The first order of business was SJR 14 with a proposed CS.

JOE BALASH, Senate State Affairs staff, introduced SJR 14 for sponsor, Senator Taylor, who was in another meeting.

The joint resolution is in response to the new fees Alaskans will be charged for transporting firearms through Canada. "The Canadian government recently adopted new regulations requiring visitors without a valid Canadian firearms license to declare their firearms at a Canadian customs station before entering the country. Visitors would also have to fill out a Non-Resident Firearm Declaration form and pay a confirmation fee of \$50.00 (Canadian).

SJR 14 calls upon President George W. Bush, the U.S. State Department, and Congress to negotiate with the Canadian government to revoke the regulations.

CHAIRMAN THERRIAULT said there was a prepared CS for the resolution but, prior to adoption, he wanted to remove the word Canadian from page 1 line 12 because it is redundant. He then asked for a motion to adopt the F version as a working document.

SENATOR PEARCE made a motion to adopt F version of CS SJR 14 for discussion purposes.

There were no objections.

SENATOR PEARCE asked whether the new fees imposed by the Canadian government were in response to fees imposed on Canadians by the U.S. government.

CHAIRMAN THERRIAULT said he didn't believe so but that Senator Taylor was now present and he could address the question.

SENATOR TAYLOR said he wasn't aware of any U.S. fees or charges recently imposed on Canadians. He believes that the new fee regulation stems from Canadian concerns about firearms and handguns in particular. He assured members that this resolution does not suggest that the Canadian regulation is retaliatory.

Number 348

SENATOR PHILLIPS said that Canadian firearms laws were phased in

over a 3-4 year period and this is part of the final phase.

He went on to say that Alaska state law requires anyone flying a plane to carry a firearm for survival purposes so this new regulation causes difficulties for Alaskans flying through Canadian airspace when transiting from one part of the state to another.

SENATOR TAYLOR agreed saying that for Alaskans flying from Southeast into Canada for a fishing trip, customs clearance is received telephonically from Prince Rupert and then U.S. customs is cleared upon return. Now, when that plane enters Canadian airspace it's illegal because of the emergency firearm carried.

He thanked the committee for hearing the resolution.

CHAIRMAN THERRIAULT asked for questions and apologized to Senator Taylor for starting the meeting prior to his arrival. Next, he called Rod Arno.

ROD ARNO, lobbyist for the Alaska Outdoor Council (AOC), testified that he and AOC support SJR 14. AOC is a state affiliate for the National Rifle Association.

SENATOR PHILLIPS said that Yukon legislators would be visiting the "15th and 16th" and this would provide an opportunity for discussion.

CHAIRMAN THERRIAULT asked whether there were any changes to the CS before the committee and noted that Senator Phillips had worked with Senator Taylor on changing the tone of the wording without changing the intent.

SENATOR PHILLIPS offered an amendment to the bill on page 2, line 14. After "Minister of Foreign Affairs, Canada;" he suggested inserting "MPs Yukon and B.C.".

CHAIRMAN THERRIAULT said that amendment #1 would add to the section of the bill telling to whom copies of the bill would be sent. He asked for objections and there were none. The amendment was adopted.

Number 743

He noted that there was a zero fiscal note.

SENATOR PHILLIPS made a motion to move CS SJR 14 (STA) and the zero fiscal note to the next committee of referral with individual recommendations.

There were no objections.

#

Number 798

#SB 103

SB 103-ELECTION CAMPAIGNS AND LEGISLATIVE ETHICS

CHAIRMAN THERRIAULT said there was a CS prepared for SB 103.

SENATOR PEARCE moved to adopt the State Affairs substitute of SB 103 as a working document. There were no objections.

JOE BALASH, staff for Senator Therriault, explained the following changes to SB 103.

Section 1 is unchanged incorporating existing practices of counting multiple groups as a single group for purposes of the contribution limits.

Section 2 allows thank you advertisements to be included in the list of allowable expenditures and then makes changes on page 3, line 20. This language allows the removal of the previous requirement for a public office expense term (POET) reserve account. A House candidate may transfer \$10,000 and a Senate candidate may transfer \$20,000 to their POET account doing away with the reserve account altogether. Alaska Public Offices Commission (APOC) had no objection to making this change.

Section 3 increases the amount of personal property that may be kept after an election and makes the necessary changes allowing candidates to continue to use their bulk mailing permits. It also allows use of campaign photographs, seasonal greeting cards and campaign signs after an election.

Section 4, page 5, makes a technical change so this section correlates with a section that appears later in the bill.

Section 5 clarifies the definition of contribution. In previous testimony, there was concern expressed about the use of mass mailings by political parties to promote a slate of candidates for election. To address this concern, the number of mailings per party is limited to two or fewer before each election. Thus, a party may not run a bulk mailing on behalf of a candidate to skirt the individual contribution limits placed on the candidate and take advantage of the larger limits placed on parties.

Page 6, line 4, changes the language so an individual who is required to register as a lobbyist may not provide an issue based poll that would benefit a particular candidate.

SENATOR PHILLIPS asked whether this addressed a concern expressed by APOC during the February 22, 2001 meeting.

MR. BALASH said it addresses part of their concern.

Section 6 deals with legislative ethics statutes. Page 7, line 13, makes allowances for the use of state resources. Subsections (F) through (J) deal with preparation and mailing of seasonal greeting cards, using state resources to transport personal computers used on state business, using photographs, reasonable use of the Internet by a legislator or staff except for election campaign purposes, and allowing a legislator to solicit, accept or receive gifts on behalf of recognized, nonpolitical charitable organizations in a state facility. This last subsection addresses the annual Betty Fahrenkamp golf tournament held in the capitol building and makes it clear that the legislature has no objection to this use of the capitol and state resources.

Page 8 clarifies the concern expressed by Susie Barnett during the previous hearing, and makes an allowance that prevents the use or authorized use of state resources for political purposes. The technical issue she raised was addressed by removing the provision.

Page 8, line 28, (G) deals with use of governmental resources by legislators or staff to support or oppose a proposed amendment to the state or federal constitution. The previous version also allowed them to support or oppose citizen's initiatives or referendums and has been removed in this draft.

Section 7 repeals the section of statute dealing with the POET reserve account.

Section 8 is a transitional provision.

CHAIRMAN THERRIAULT asked whether members had any questions for Mr. Balash.

SENATOR PHILLIPS asked about the provisions on page 3, line 20 dealing with transfer of unused campaign funds by state or municipal candidates.

MR. BALASH said that these funds must be dealt with within a 90-day period after the election. Campaign expenses and debts may be paid then funds are transferred to a Public Office Expense Term (POET) account. Current law allows \$5,000 to be put into the POET account

and up to \$5,000 per year of the term into a POET reserve account. This amounts to \$10,000 for House members and \$20,000 for Senate members. The amended language does away with the POET reserve account and limits fund transfers to \$10,000 for a House candidate and \$20,000 for a Senate candidate.

Number 1278

CHAIRMAN THERRIAULT said the dollar amount hasn't changed, it's just that the reserve account has been eliminated.

To deal with the language in Section 8, amendment #1 was proposed by Chairman Therriault. On page 9, lines 8-11 following "reserve" delete all wording and insert "shall transfer those funds to a public office expense term account before January, 2002." This makes it clear that if a successful candidate has established a reserve account, any funds held in that account must be removed and placed in a POET account by January 1, 2002.

Number 1480

CHAIRMAN THERRIAULT moved amendment #1 and there were no objections so it was adopted.

MR. BALASH reviewed amendment #2 and explained that the language deals with the use of governmental resources by legislators and their employees. On page 8, line 31, following "however," insert "a legislator or legislative employee may not use governmental resources to solicit contributions for a proposed constitutional amendment." Lines 1 and 2 on page 9 are removed. Previous language didn't mention legislators, just their employees.

SENATOR PHILLIPS asked for confirmation that government resources means, "company time, government time, resources and supplying money plus time."

CHAIRMAN THERRIAULT said that that's correct; while in their offices, legislators and staff may not solicit contributions to promote or oppose a constitutional amendment.

SENATOR PHILLIPS said, "Using government resources which also is inclusive of government time, right?"

SENATOR HALFORD asked whether that was of the legislator or the staff.

SENATOR PHILLIPS said both.

CHAIRMAN THERRIAULT said that the legislator comes and goes from

the office while the legislative staff works regular hours.

SENATOR PHILLIPS said he understands that but that (indisc).

SENATOR HALFORD agrees on employees but isn't sure about legislators.

CHAIRMAN THERRIAULT said it is simply a prohibition on soliciting funds but a legislator could still work with their staff. "If you were the legislator that proposed the constitutional amendment, you'd be the one that has the files on how the language was shaped. You could deal with your staff on gathering information to answer questions, get information out, promote the issue you got on the ballot but you wouldn't be able to sit at your legislative office and solicit funds to promote the question."

He then moved to adopt the modified language for amendment #2. There were no objections.

SENATOR THERRIAULT said he didn't intend to move amendment #3 at this time. He asked for other amendments.

SENATOR PEARCE asked whether Brooke Miles would be available for questions because she had a question that might lead to an amendment.

CHAIRMAN THERRIAULT said that Brooke Miles and Susie Barnett were on line.

SENATOR PEARCE referred to page 2, line 30 through page 3, line 8, that speaks to ways to distribute unused campaign contributions for candidates for various offices. She asked whether the candidates referred to on line 1, 3, 5 and 7 meant "that is what the person was a candidate for when he or she was elected to the position for which they were raising the money, or is it what they become a candidate for?"

MS. MILES said the commission's interpretation is what the candidate ran for. Thus, a candidate for governor, with a \$50,000 surplus, could retain those monies in an account.

SENATOR PEARCE asked if her interpretation was correct. If she ran for senator and had \$10,000 left at the end of her successful campaign, she could transfer that to another senate race.

MS. MILES said she could transfer that amount to a future campaign account because she had run as a senator. However, that doesn't mean that account has to be used for another senate campaign, it could be used for a different office.

SENATOR PEARCE confirmed that the \$10,000 limit was for a senate candidate.

MS. MILES said that was correct.

CHAIRMAN THERRIAULT confirmed with Susie Barnett that the language she objected to in the previous hearing was now acceptable.

SUSIE BARNETT, Legislative Ethics Administrator, said that deleting the subsection on Internet use concerning campaign use solved the problem and kept the common sense approach to Internet use outlined earlier in the bill. She complemented the Chair in saying the prohibition from soliciting a constitutional amendment is now very clear.

SENATOR PHILLIPS was concerned with page 4, line 13, because it doubled the amount of personal property that could be retained after an election. He thinks the current \$2,500 figure is adequate.

He proposed amendment #3 keeping the figure for retained personal property, exclusive of a computer and printer, at \$2,500.

SENATOR PEARCE objected to the amendment.

CHAIRMAN THERRIAULT said the figure was exclusive of computers.

SENATOR HALFORD asked whether computers included printers and phone systems.

MS. MILES said that computer peripherals would be included in the system but not a phone system.

CHAIRMAN THERRIAULT asked for additional discussion on amendment 3.

SENATOR DAVIS asked Senator Phillips to speak to his amendment.

SENATOR PHILLIPS said he realized that he was speaking for himself but he doesn't need more than \$2,500.

SENATOR PEARCE pointed out that it was \$2,500 in personal property and not cash.

SENATOR PHILLIPS said he doesn't need more than that amount left over after a campaign.

SENATOR DAVIS said she just wanted to hear his rationale.

SENATOR PHILLIPS said his rationale is that \$2,500 is adequate for himself whether it is for anyone else at the table or not. His last

election cost just \$12,000.

CHAIRMAN THERRIAULT called for a roll call on amendment #3. The amendment failed 1 to 4 with Senator Phillips voting yea and Senators Davis, Halford, Pearce and Chairman Therriault voting nay.

SENATOR PEARCE made a motion to move CS SB 103 (STA) and the accompanying fiscal note from committee with individual recommendations.

Number 1999

CHAIRMAN THERRIAULT said the next order of business was SB 102 and he was the prime sponsor. His staff introduced the bill.

HOLLY MORRIS, staff to Senator Therriault, said that although federal law requires that an applicant supply a social security number on a driver's license application, SB 102 removes the social security number from the face of those licenses. The bill also places into statute a policy currently followed by the Division of Motor Vehicles (DMV) allowing individuals with no social security number the opportunity to obtain a license. They must sign a sworn affidavit stating that they do not have a social security number when they submit their application. Previously, an applicant with no social security number was denied a driver's license.

SENATOR PHILLIPS said there is an exception from obtaining a social security number for personal or religious convictions. He's aware of this because he's worked with several people in his district in this situation.

CHAIRMAN THERRIAULT asked whether they were able to obtain a driver's license.

SENATOR PHILLIPS said they were.

CHAIRMAN THERRIAULT said that that's what was said in the sponsor statement. It's been policy for DMV to issue licenses if a sworn affidavit is submitted in lieu of a social security number.

SENATOR DAVIS asked whether removing the social security number from the face of a driver's license would preclude businesses from asking for the social security card for identification purposes.

CHAIRMAN THERRIAULT said no, but that isn't the issue at hand. This bill simply removes the social security number from the face of the license. Identity theft is becoming more a problem and the social security number is a key to this theft. Making the number less accessible should help deal with this growing problem.

Number 262

CHUCK HOSAK, Division of Motor Vehicles Deputy Director, said that Section 1 of the bill puts current administrative policy into statute. Federal law requires that a social security number be listed on a driver's license application. Six months ago they received a new federal interpretation of the child support law stating that a sworn affidavit in place of a social security number was acceptable. This process was instituted in practice in January so forms are currently available to those individuals without social security numbers and who were previously unable to obtain a driver's license.

Section 2 deals with display of the social security number on the license. Up to now, display of the number on a non-commercial license has been optional. Individuals simply needed to request that this information be suppressed and it wouldn't be printed on a non-commercial license. Since this capability is currently an option, there won't be any difficulty for DMV to routinely suppress the printing of the social security number if this bill passes. Since the changes this bill would institute are already options, the bill has a zero fiscal note.

CHAIRMAN THERRIAULT explained that Section 3 deals with applicability. Drivers need not apply for a new license before their current license is due for renewal.

SENATOR PHILLIPS asked whether an individual could have their social security number removed from their license immediately and not wait for the renewal date.

MR. HOSAK said they could come in and get a duplicate license without the social security number printed. They would be expected to pay a duplicate license fee of \$10.00.

DEL SMITH, Department of Public Safety Deputy Commissioner, said that he has testified on this matter previously and that law enforcement personnel across the state aren't enthusiastic about the removal of the social security number from driver's licenses. He does realize, however, that the numbers are readily available from the DMV database if the need arises. Although an individual's identification number that is listed on the license is used to access personal information, the social security number is used to help pare out duplicate names. They are pleased that this information will still be available for law enforcement purposes so the overall effect should be slight.

CHAIRMAN THERRIAULT said there was no proposed CS and the bill had

a zero fiscal note. He asked whether there were any amendments to the wording and there were none.

He asked for a motion.

SENATOR PHILLIPS made a motion to move SB 102 with its zero fiscal note to the next committee of referral. There were no objections.

#

CHAIRMAN THERRIAULT adjourned the meeting at 4:30 p.m.