

HOUSE FINANCE COMMITTEE
January 22, 2004
1:43 PM

TAPE HFC 04 - 10, Side A

CALL TO ORDER

Co-Chair Williams called the House Finance Committee meeting to order at 1:43 PM.

MEMBERS PRESENT

Representative John Harris, Co-Chair
Representative Bill Williams, Co-Chair
Representative Kevin Meyer, Vice-Chair
Representative Mike Chenault
Representative Eric Croft
Representative Hugh Fate
Representative Richard Foster
Representative Mike Hawker
Representative Carl Moses
Representative Bill Stoltze

MEMBERS ABSENT

Representative Reggie Joule

ALSO PRESENT

Linda Sylvester, Staff to Representative Bruce Weyhrauch; Admiral James Underwood, United States Coast Guard; Sue Hargis, United States Coast Guard; Kevin Jardell, Assistant Commissioner, Department of Administration.

PRESENT VIA TELECONFERENCE

Jack Cadigan, Coast Guard Auxiliary, Juneau; Duane Bannock, Director, Division of Motor Vehicles, Department of Administration.

SUMMARY

HB 93 An Act relating to boating safety; repealing secs. 3, 5, 7, 9, 11, 14, 16, 18, 20, 23, 26, 27, and 30, ch. 28, SLA 2000; and providing for an effective date.

CS HB 93(TRA) was HEARD and HELD in Committee for further consideration.

#HB 93
HOUSE BILL NO. 93

An Act relating to boating safety; repealing secs. 3, 5, 7, 9, 11, 14, 16, 18, 20, 23, 26, 27, and 30, ch. 28, SLA 2000; and providing for an effective date.

LINDA SYLVESTER, STAFF to REPRESENTATIVE BRUCE WEYHRAUCH, explained that Version Q of CS HB 93(TRA) relates to the Boating Safety Act reauthorization. Testimony was heard and the bill was held in House Finance Committee last session.

ADMIRAL JAMES UNDERWOOD, U.S. COAST GUARD (USCG), spoke in favor of HB 93 that would repeal the sunset clause in Alaska's boating safety law. When the Boating Safety Act was signed in May 2000, Alaska became the last state to establish a boating safety program. The sunset provision was added to address concerns about the continuity of federal funding. This program has been reauthorized and funding is expected to continue and increase due to a shift in the federal funding formula. The program has brought about increased public awareness of boating safety and Mr. Underwood spoke in support of The Kids Don't Float program that has saved the lives of at least 9 children. He described the education efforts of the program that has more successfully reached elementary age children than the Coast Guard Auxiliary program.

Mr. Underwood described the shift of boating safety efforts from the USCG to the State of Alaska in 1979 and the Coast Guard's focus on search and rescue. Since Sept. 11, 2001 the USCG has been engaged in Homeland Security issues.

Representative Stoltze inquired about the possibility of a volunteer program to assist in search and rescue. Mr. Underwood replied that a volunteer program would not meet the federal guidelines and would not qualify for matching state funds.

Representative Stoltze commented that the purpose of the sunset was to ensure future funding and asked if there would be a problem extending the sunset instead of repealing them. He expressed doubt over the long-term reliability of federal funding.

Mr. Underwood replied that the federal funds have been reauthorized on a permanent basis. Another law, the "Safe and Flexible Transportation Efficiency Act of 2003" allocates available funds between anglers and boaters. The fifty percent state and federal match of the past is now 75% federal with a 25% matching state share, providing an increase for Alaska.

Representative Stoltze noted the bill provides a total exemption for non-motorized craft, and asked if that's equitable. He also questioned if there is no cost to the USCG for search and rescue of non-motorized vessels.

Mr. Underwood replied, federal law has no requirement for non-motorized vessels to be registered. State law has required them to register, which brings in about \$30 thousand to \$35 thousand annually. The average number of USCG search and rescue efforts for canoes and kayaks is 5 per year compared to 30 motorized search and rescues. He commented that having a [registration] decal doesn't make a boat easier to find or safer. The cost of non-motorized and motorized search and rescue efforts are more determined by fuel costs to get USCG assets on scene, with boating accidents in Unalaska costing more than those in Southeast Alaska.

Mr. Underwood continued discussing boating fatalities since the boating law was enacted.

Representative Croft brought up the intent language in the original bill, which stated that at least 75% of federal funds generated from this Act would be used to fund boating safety programs. He asked if the intent is being met.

Mr. Underwood replied that he believed it is.

Co-Chair Harris asked if the deleted language on Page 2, Sec. 2(i)(4) is a good idea.

Mr. Underwood replied 'yes,' while at the same time expressing concern that the language not remove the state from federal entitlement funds through non-compliance with the Safe Boating Act. He stated that the number of non-motorized boating fatalities is extremely low.

Representative Hawker asked if this proposed language would threaten existing funding. Mr. Underwood responded that the language would not.

Representative Hawker asked if the funding would be threatened if the language in the original bill were reinserted.

Mr. Underwood replied that reinserting the language would not threaten the funding. He discussed the enforcement effort regarding noncompliant non-motorized craft compared to the risk of losing the whole program by letting the law die. In his opinion, if removing those vessels [in Sec. 2(i)(4)] would allow the rest of the law to remain, the greater good would be served.

Co-Chair Harris asked if the sections [being repealed] in Sec. 3 of CSHB 93 (TRA) all relate to the sunset provision.

Linda Sylvester agreed that HB 93 is confusing in its wording. She explained that the repealers in this version refer back to the bill passed in 2000; CSHB 93(TRA) repeals the paddle boat provisions.

Representative Croft asked if the sections listed in Sec. 3 all relate to sunset.

Linda Sylvester replied that these repealed sections would make inactive the provisions of the boating safety statute by the end of 2004.

SUE HARGIS, U.S. COAST GUARD, explained the bill removes old provisions of state regulations that mirrored federal law. These regulations will disappear if the sunset doesn't get repealed.

PAM LABOLLE, PRESIDENT, ALASKA STATE CHAMBER OF COMMERCE, stated that the Chamber was supportive of the initial law [Boating Safety Act]. The Chamber is convinced this is a good program and would like to maintain federal support for it.

JACK CADIGAN, U.S. COAST GUARD AUXILIARY, spoke representing himself and the Alaskan district of the Auxiliary. Boating safety has significantly improved and the Auxiliary enthusiastically supports this bill. He urged the Legislature not to allow primary water safety responsibility in Alaskan waters to revert back to the federal government. The state can do a better overall job promoting water safety than the USCG, and he urged unanimous support of the bill.

Representative Stoltze recalled a different fiscal note than \$35 thousand for the original boating safety bill in 2000, and he asked Mr. Bannock's recollection of the fiscal note.

DUANE BANNOCK, DIRECTOR, DIVISION OF MOTOR VEHICLES, (DMV) DEPARTMENT OF ADMINISTRATION stated that he researched HB 108 [enacted in 2000] and the numbers projected were approximately \$930 thousand annually.

Representative Stoltze replied, that's "a sobering difference."

Mr. Bannock clarified that the figure in the larger fiscal note combined both power and non-power boats. The fiscal note for non-power boats is \$333,000. In his opinion, the formula used in the 2000 fiscal note was figured incorrectly.

MARTHA MOORE, TRAUMA REGISTRY COORDINATOR, DEPARTMENT OF HEALTH & SOCIAL SERVICES, stated the Department supports eliminating the sunset clause in this bill. The Department views the bill from a safety standpoint and the reduction in number of annual boating deaths over the past four years is significant. Boating safety efforts have helped tremendously. Seven kids put on a life jacket and did not drown because of the Kids Don't Float program,

Representative Stoltze referred to a letter from the Outdoor Council (copy on file.)

Co-Chair Harris referred to Sec. 2,(i)(4) and asked whether any sailboat of any length without auxiliary power would be exempt. A discussion ensued with Ms. Sylvester.

Ms. Hargis said the intent of the CS was to remove paddle boats, the non-motorized craft; anything under ten feet in length was exempted from registration.

HB 93 was heard and HELD in Committee for further consideration.

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ADJOURNMENT

The meeting was adjourned at 2:26 PM.