

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

February 18, 2003

8:02 a.m.

MEMBERS PRESENT

Representative Bruce Weyhrauch, Chair
Representative Nancy Dahlstrom
Representative Bob Lynn
Representative Paul Seaton
Representative Ethan Berkowitz
Representative Max Gruenberg

MEMBERS ABSENT

Representative Jim Holm, Vice Chair

COMMITTEE CALENDAR

HOUSE BILL NO. 20

"An Act relating to reemployment of and benefits for retired teachers and principals, including those who participated in retirement incentive programs, and to the employment as teachers of members of the public employees' retirement system who participated in a retirement incentive program; and providing for an effective date."

- MOVED CSHB 20(STA) OUT OF COMMITTEE

HOUSE BILL NO. 14

"An Act relating to an absence from the state while providing care for a terminally ill grandparent for purposes of determining eligibility for a permanent fund dividend; and providing for an effective date."

- MOVED HB 14 OUT OF COMMITTEE

HOUSE BILL NO. 15

"An Act relating to establishing the Alaska No-Call List, a data base of residential telephone customers who do not wish to receive telephonic solicitations; providing that the data base be compiled at no cost to the customers; requiring paid telephonic sellers to purchase the data base; requiring telephonic sellers to identify themselves; requiring telephonic solicitors who are otherwise exempt from registration as

telephonic solicitors to file with the Department of Law and purchase the data base; and providing for an effective date."

- HEARD AND HELD

PREVIOUS ACTION

BILL: HB 20

SHORT TITLE: REEMPLOYMENT OF RETIRED TEACHERS

SPONSOR(S): REPRESENTATIVE(S) STEVENS

Jrn-Date	Jrn-Page		Action
01/21/03	0036	(H)	PREFILE RELEASED (1/10/03)
01/21/03	0036	(H)	READ THE FIRST TIME - REFERRALS
01/21/03	0036	(H)	STA, FIN
02/06/03		(H)	STA AT 8:00 AM CAPITOL 102
02/06/03		(H)	Heard & Held MINUTE(STA)
02/18/03		(H)	STA AT 8:00 AM CAPITOL 102

BILL: HB 14

SHORT TITLE: PERMANENT FUND ALLOWABLE ABSENCES

SPONSOR(S): REPRESENTATIVE(S) FATE

Jrn-Date	Jrn-Page		Action
01/21/03	0034	(H)	PREFILE RELEASED (1/10/03)
01/21/03	0034	(H)	READ THE FIRST TIME - REFERRALS
01/21/03	0034	(H)	STA, FIN
02/18/03		(H)	STA AT 8:00 AM CAPITOL 102

BILL: HB 15

SHORT TITLE: TELEMARETERS NO-CALL LISTS

SPONSOR(S): REPRESENTATIVE(S) FATE

Jrn-Date	Jrn-Page		Action
01/21/03	0035	(H)	PREFILE RELEASED (1/10/03)
01/21/03	0035	(H)	READ THE FIRST TIME - REFERRALS
01/21/03	0035	(H)	L&C, STA, FIN
01/29/03		(H)	L&C AT 3:15 PM CAPITOL 17
01/29/03		(H)	<Bill Postponed>
02/07/03	0153	(H)	COSPONSOR(S): CHENAULT
02/07/03		(H)	L&C AT 3:15 PM CAPITOL 17
02/07/03		(H)	Moved CSHB 15(L&C) Out of

			Committee
			MINUTE(L&C)
02/10/03	0166	(H)	L&C RPT CS(L&C) NT 3DP 4AM
02/10/03	0166	(H)	DP: CRAWFORD, ROKEBERG, ANDERSON;
02/10/03	0166	(H)	AM: LYNN, GATTO, GUTTENBERG, DAHLSTROM
02/10/03	0167	(H)	FN1: ZERO(CED)
02/10/03	0167	(H)	FN2: (LAW)
02/10/03	0167	(H)	REFERRED TO STATE AFFAIRS
02/10/03	0172	(H)	COSPONSOR(S): CRAWFORD
02/18/03	0231	(H)	COSPONSOR(S): KERTTULA
02/18/03		(H)	STA AT 8:00 AM CAPITOL 102

WITNESS REGISTER

GUY BELL, Director
 Health Benefits Section
 Division of Retirement & Benefits
 Department of Administration
 Juneau, Alaska

POSITION STATEMENT: Testified to answer questions for the department during the hearing on HB 20.

CARL ROSE, Executive Director
 Association of Alaska School Boards (AASB)
 Juneau, Alaska

POSITION STATEMENT: Testified on behalf of the AASB in support of HB 20.

DOUG LETCH, Staff
 to Representative Gary Stevens
 Alaska State Legislature
 Juneau, Alaska

POSITION STATEMENT: Testified on behalf of the sponsor of HB 20.

REPRESENTATIVE HUGH FATE
 Alaska State Legislature
 Juneau, Alaska

POSITION STATEMENT: Testified as sponsor of HB 14.

PAUL DICK, Acting Director
 Permanent Fund Dividend Division
 Department of Revenue
 Juneau, Alaska

POSITION STATEMENT: During discussion of HB 14, answered questions.

MARIE DARLIN
AARP Capital City Task Force
Juneau, Alaska

POSITION STATEMENT: Testified on behalf of AARP in support of HB 15.

ACTION NARRATIVE

TAPE 03-10, SIDE A

Number 0001

CHAIR BRUCE WEYHRAUCH called the House State Affairs Standing Committee meeting to order at 8:02 a.m. Representatives Seaton, Dahlstrom, and Weyhrauch were present at the call to order. Representatives Lynn, Berkowitz, and Gruenberg arrived as the meeting was in progress.

HB 20-REEMPLOYMENT OF RETIRED TEACHERS

CHAIR WEYHRAUCH announced that the first order of business was HOUSE BILL NO. 20, "An Act relating to reemployment of and benefits for retired teachers and principals, including those who participated in retirement incentive programs, and to the employment as teachers of members of the public employees' retirement system who participated in a retirement incentive program; and providing for an effective date."

[In committee packets was a new proposed committee substitute (CS), Version 23-LS0130\D, Craver, 2/17/03.]

Number 0095

GUY BELL, Director, Health Benefits Section, Division of Retirement & Benefits, Department of Revenue, in response to an introductory question by Chair Weyhrauch, said that [the department] doesn't have a position on [broadening the language of the bill to include public employees]. He agreed that the addition would certainly broaden the bill, but said he did not know that that was the intention when [HB 20] was [previously] discussed. He said he thinks that, ultimately, adding the reference to public employees confused the issue more than clarified it.

MR. BELL noted that the proposed CS [Version D] adds reference to employees, rather than public employees, because, for example, "a principal may not necessarily be a teacher, but an employee of a school district." He offered the following parenthetical comment:

The definition of "teacher" under the Teachers' Retirement System statute is broad, in that ... it's "anyone requiring certification," and that would include a principal, a superintendent, or a schoolteacher. And so, the reference to "teacher" really would have been sufficient; I think this is just an effort to make it extra clear, through the committee substitute.

Number 0235

REPRESENTATIVE SEATON asked if the definition would include anyone in the central office, for example, who was required to have certification.

MR. BELL said yes, a teaching certificate.

Number 0292

CARL ROSE, Executive Director, Association of Alaska School Boards (AASB), in response to a query by Chair Weyhrauch, said that he had seen the proposed CS. He said he thinks that the bill is "dealing with something that is symptomatic of a larger issue." He told the committee that, over the last 15 years, "we" have been unable to keep pace with the cost of living; therefore, it is difficult to attract and retain "certificated staff." People who have retired from a long career in teaching are coming back to fill the void.

MR. ROSE said that many of his colleagues are "counseling their youngsters out of the profession" because of the lack of value that "we" place on it. Salaries have suffered because of "our" inability to deal with the fixed cost of operating schools. He stated, "This will give us an opportunity to bring some people back as a stop-gap measure, but I think in [the long] term, we have a larger issue to deal with, and that is, how we compensate people in the profession." He said that [AASB] supports [HB 20], especially the change that would allow people to come back without penalty.

Number 0546

REPRESENTATIVE GRUENBERG referred to the proposed CS. He said that the specific intent of an amendment [which he had offered during the House State Affairs Standing Committee meeting on February 6, 2003] was to allow the employment of, for example, a retired biologist who had gone back to school and earned a teaching certificate. He added, "It was a very limited type of amendment." He said that he wants to be sure that "this doesn't open the door beyond that."

REPRESENTATIVE GRUENBERG indicated that when the proposed CS is adopted, he will recommend the following amendment: On page 1, line 12, add "retired public" before the word "employees".

Number 0673

MR. BELL responded that that issue would be addressed in Section 3, [page 2, lines 23-30, of Version D], which read as follows:

*Sec.3. AS 14.25.043 is amended by adding a new subsection to read:

(d) A member of the public employees/retirement system who participated in a retirement incentive program under ch. 26, SLA 1986; ch. 89, SLA 1989; ch. 65, SLA 1996; ch. 4, FSSLA 1996; or ch. 92, SLA 1997, who subsequently becomes a teacher under a policy adopted in accordance with AS 14.20.135(a) may become an active member under AS 14.25.040 without losing the incentive credit provided under the subject to any related reemployment indebtedness.

MR. BELL explained that [14.20.135(a)] permits the employment of retired teachers, or employees who are qualified - he emphasized "qualified" - to teach or work in an educational discipline. He said that's the suggestion of Barbara Craver [of Legislative Legal and Research Services, who drafted the proposed CS], and he said he agrees that that addresses any concern that "that retired fisheries biologist from PERS would be able to obtain a certificate [indisc.]."

REPRESENTATIVE GRUENBERG pointed out "that provision addresses 14.25, which is the retirement chapter." "Section 1," he said, "addresses 14.20, which is school boards." He stated his assumption that the purpose of putting Section 1 in the bill to begin with, was "to conform 14.20 with 14.25." He pondered whether it would be necessary to have a conforming amendment to

14.20, "to allow school boards to adopt resolutions to allow these teachers to come back."

REPRESENTATIVE GRUENBERG stated his understanding that "14.25" deals with the teachers themselves, but the hiring procedure is addressed in "14.20," which is the language to the school board.

Number 0866

MR. BELL told Representative Gruenberg that he believes that "14.20" makes no reference to public employees, it only makes reference to a restriction to retired teachers; therefore, he stated that he does not think it presents a problem in conforming.

REPRESENTATIVE GRUENBERG stated his concern is that he does not want a future generation of legislators to [be left with] "any kind of legal question." He asked Mr. Bell, "Do you feel, on behalf of the Division of Retirement & Benefits, that that's clear enough on the record that there'd never be any question at that point?"

MR. BELL answered, "Yes, I believe it's very clear - especially with the record as it is - that that's the intent." In response to a remark by Representative Gruenberg, Mr. Bell concurred that the amendment on [page 1], line 12, to add the words ["retired public"] before "employee", is not necessary, and he said he would leave the decision to the committee. He noted that the title has been changed in the proposed CS, "and the reference to employees." He stated that he thinks the [proposed] CS, as it stands, is clear.

REPRESENTATIVE GRUENBERG said, "Well then, we'll just leave it the way it is."

Number 0996

REPRESENTATIVE SEATON moved to adopt the proposed committee substitute (CS) for HB 20, Version 23-LS0131\D, Craver, 2/17/03, as a work draft. There being no objection, Version D was before the committee.

Number 1054

MR. BELL, in response to a question by Representative Seaton, said that [Section 3, page 2, line 23] was included in the original bill, whereas Section 2 has been amended in the CS,

lines 19-22, clarifying that "the reemployment indebtedness does not apply." He said that that was an amendment requested by the Division of Retirement and Benefits. He noted that the CS also adds "or employees" on line 1 of the title [replacing the words "and principals"], and the phrases "or employees" and "or work" on page 1, [lines 11-12].

REPRESENTATIVE SEATON asked if the CS was even necessary to accomplish the purposes that [the committee] has stated.

MR. BELL responded that he does not think it necessary to include the language, but it does no harm and could be left in for clarification.

MR. BELL responded to questions from Chair Weyhrauch as follows: He said he has worked with the Division of Retirement & Benefits for over five years; he concurred that he has had substantial experience in dealing "with these kinds of measures"; and he responded that he does not think that the language [being considered] would, as Chair Weyhrauch phrased it, "help clarify it for you in terms of administering this."

Number 1245

DOUG LETCH, Staff to Representative Stevens, Alaska State Legislature, referred to the previous discussion of the added phrase, "or work" and stated that that was a proposed amendment from the Department of Education, because it hires some certified teachers to work in its departmental programs.

REPRESENTATIVE GRUENBERG referred to page 3, [lines 2-4], of the [proposed CS], which read as follows [original punctuation provided]:

Sec. 12. AS 14.20.135, as amended by sec. 1 of this 2003 Act; AS 14.25.043(b), as amended by sec. 2 of this 2003 Act; AS 14.25.043(d), added by sec. 3 of this 2003 Act; AS 39.35.120(b)(2), 39.35.150(b), and 39.35.150(c) are repealed July 1, 2005.

REPRESENTATIVE GRUENBERG asked why it is necessary to say "as amended" or "as added", because he said he thought that language would not normally be added. He clarified, "If you're repealing a statute, you repeal a statute, ... including its amendments."

Number 1350

MR. LETCH stated his belief that when this legislation came before the legislature [during the second session of the Twenty Second Legislative Session, 2002] as HB 416, the members of the Special Committee on Education, who drafted the bill, wanted a sunset date. When the bill was reintroduced [as HB 20], he explained, the bulk of the language was kept and the date was extended.

REPRESENTATIVE GRUENBERG clarified that he was not concerned about the date, but by the phrase, "as amended by". He reiterated, "Normally, if you repeal a statute, you repeal the current form of the statute."

MR. LETCH suggested deferring that question to Legislative Legal And Research Services.

REPRESENTATIVE GRUENBERG opined that "it would certainly be necessary to add the bold language: 'AS 14.25.043(d)', because that is a new statute that's enacted in Section 3 of the Act."

REPRESENTATIVE GRUENBERG asked why there is a law against hiring teachers [who have previously retired in RIP].

MR. LETCH replied that he does not know why. He said that, currently, a person who participated in RIP who comes back [to teach] must pay back 105 percent of the benefits he/she received. He stated that Representative Stevens and, previously, [the members of] the Special Committee on Education felt that that would keep people from coming back to fill some of the shortages present in the state.

Number 1504

REPRESENTATIVE GRUENBERG opined that that particular Section - [AS]14.20.135(c) - was a mistake and never should have been enacted.

Number 1430

MR. BELL offered the following explanation:

I think that the reference in [subsection](c) [of AS 14.20.135] is under this Section, so it only applies to the hiring of teachers because of a shortage. So, the declaration prospect does not apply to hiring "RIPed" teachers. I think [AS 14.20.135](c) was just added to make it clear that, even if you do declare a

shortage, you can't hire RИPed teachers back, and this would repeal that provision, because that's consistent with the rest of this bill.

REPRESENTATIVE GRUENBERG concluded as follows:

The language in subsection (c) says, "under this Section", and I couldn't, as a layperson - a person not familiar with this area of the law - understand what that meant. But, the way it's interpreted doesn't prohibit the hiring of the teachers, but just requires them to pay 105 percent back.

MR. BELL said, "Exactly, yes."

Number 1590

REPRESENTATIVE LYNN moved to report CSHB 20, Version 23-LS0130\D, Craver, 2/17/03, out of committee [with individual recommendations and the accompanying fiscal notes]. There being no objection, CSHB 20(STA) was reported out of the House State Affairs Standing Committee.

HB 14-PERMANENT FUND ALLOWABLE ABSENCES

CHAIR WEYHRAUCH announced that the next order of business was HOUSE BILL NO. 14, "An Act relating to an absence from the state while providing care for a terminally ill grandparent for purposes of determining eligibility for a permanent fund dividend; and providing for an effective date."

Number 1708

REPRESENTATIVE HUGH FATE, Alaska State Legislature, as the sponsor of HB 14, explained that for years permanent fund dividend (PFD) exemptions have been granted for those who attend to terminally ill members of the family. However, that language failed to include grandparents. Therefore, the definition [for eligibility] should be amended such that it includes grandparents.

REPRESENTATIVE BERKOWITZ inquired as to the number of individuals that would be impacted by this.

REPRESENTATIVE FATE answered that he had no idea. In further response to Representative Berkowitz, Representative Fate

clarified that he didn't believe this legislation would include step grandparents, although that could be [changed].

REPRESENTATIVE BERKOWITZ expressed concern with not specifying retroactivity. In response to Chair Weyhrauch, Representative Berkowitz explained that he is addressing a procedural question because the preferred course is for legislation to move through the other body unchanged so that the legislation won't have to return to the House for adoption of changes from the other body.

REPRESENTATIVE BERKOWITZ returned to the issue of step grandparents and suggested moving to a broader definition of family rather than specifying [to which family members this would apply].

Number 1972

CHAIR WEYHRAUCH pointed out that an individual could have a terminal illness and years could pass before the individual dies from that illness. He posed a situation in which an individual who leaves the state to care for a grandparent with a terminal illness ends up being gone for five years. He asked if the relative would need to obtain a note from the grandparent's physician substantiating that the relative is caring for the terminally ill grandparent. He asked how extended illnesses would be dealt with.

REPRESENTATIVE FATE said it would be up to the physician because terminal illness and terminal disease are juxtaposed. He explained that there are chronic diseases that are terminal and may last over a 10-year period. The physician treats such a chronic disease and thus it isn't immediately terminal because there is a time line.

CHAIR WEYHRAUCH asked whether the Department of Revenue has adopted any regulations for paragraph (7).

REPRESENTATIVE FATE answered that he did not know.

Number 2148

CHAIR WEYHRAUCH asked if Representative Fate intends for "terminally ill" to be considered a few months or less than a year.

REPRESENTATIVE FATE clarified that a terminal illness of a grandparent is no different than that of any other member of the

family. With regard to the step grandparents, Representative Fate said that perhaps the language should be broadened [to include step grandparents].

Number 2261

REPRESENTATIVE SEATON asked if an entire family would remain eligible for the PFD in the situation in which an entire family moves out of state to care for a terminally ill grandparent.

REPRESENTATIVE FATE emphasized that including grandparents wouldn't change the regulations, which cover who can care for the terminally ill individual. This legislation merely expands that list to allow an individual to care for a terminally ill grandparent.

REPRESENTATIVE SEATON inquired as to the current coverage under the regulations.

REPRESENTATIVE BERKOWITZ said that he wants a broader definition, because under Representative Seaton's hypothetical situation children would be taking care of great grandparents and those [children] wouldn't be covered [eligible for the PFD]. This addition still wouldn't cover situations in which children take care of terminally ill great aunts or foster parents. Therefore, Representative Berkowitz expressed the need to take care when defining "family." If direct sanguinity is used in defining "family," then lots of people could be left out who should be included.

Number 1460

REPRESENTATIVE GRUENBERG pointed out that, often, grandparents end up becoming the primary custodian of grandchildren. He posed a situation in which a grandchild with a terminal illness may result in a grandparent moving out of state long term to care for the terminally ill grandchild.

REPRESENTATIVE FATE informed the committee that AS 43.23.008 in part specifies that "an otherwise eligible individual" [would remain qualified if the individual was absent]. He pointed out that the Act already specifies a time limitation of 220 days [for an absence].

REPRESENTATIVE SEATON referred to page 2 [line 14] and asked if the 220-day limitation only applied to settling the estate.

REPRESENTATIVE FATE said that the 220-day limitation only refers to the settling of the estate.

REPRESENTATIVE DAHLSTROM asked if stepparents are included in the legislation as it stands.

REPRESENTATIVE FATE replied no.

CHAIR WEYHRAUCH specified that HB 14 would only add grandparents.

REPRESENTATIVE BERKOWITZ inquired as to why paragraph (14) wouldn't apply. He related that some of his constituents regularly complain that they aren't given exemptions for being stationed in the Antarctic.

Number 2689

PAUL DICK, Acting Director, Permanent Fund Dividend Division, Department of Revenue, explained that before 1988, the department defined absences by regulation. In 1988 the legislature defined what absences were allowable under statute for purposes of maintaining the PFD. Therefore, Mr. Dick characterized this as a legislative prerogative. He noted that this statute was amended a few years ago.

REPRESENTATIVE BERKOWITZ surmised that there is no discretion under paragraph (14), because the legislature circumscribed that discretion elsewhere.

MR. DICK clarified that it has been left to the legislature to define the terms of the absences and the terms the additional [reasons] for which individuals can be absent. In further response, Mr. Dick specified that those terms are under AS 43.23.008.

REPRESENTATIVE BERKOWITZ remarked that paragraph (14) is a catchall because it says, "(14) for any reason consistent with the individual's intent to remain a state resident" The aforementioned language seems to provide the division some discretion in considering someone who might not fit under the tight [provisions in statute]. He said that the legislature can't be expected to enumerate every possible exception, and therefore those enforcing the rules should have the discretion necessary in this area. "If [paragraph] (14) is being ignored, that's a problem," he said.

MR. DICK pointed out that paragraph (14) concludes, "provided that the absence or cumulative absences do not exceed" 180 days. Those that are absent for [no more than] 180 days and maintain residency and intend to [continue to] do so receive a dividend. Mr. Dick explained that the allowable absences are for absences over 180 days, and those provisions are defined by the legislature. Mr. Dick informed the committee that last year the division had 140 people fall under this terminally ill category. Under the assumption of 200 [people falling under that category], the cost would be a \$.52 differential.

REPRESENTATIVE SEATON asked if some people have applied for a PFD while caring for a grandparent [and absent for more than 180 days] and were turned down.

MR. DICK said that he didn't have that information in front of him.

REPRESENTATIVE SEATON inquired as to the definition of "care". He also inquired as to whether an entire family could [be absent from the state] to care for a grandparent or parent [and still receive a PFD].

MR. DICK said that it couldn't be an entire family under the current statutes because the child would [be] caring for a grandparent, which isn't covered currently.

REPRESENTATIVE SEATON surmised then that the effect of this legislation is to allow the entire family to [be absent from the state to care for someone] and qualify for the PFD, because passage of this legislation would allow individuals to care for parents and grandparents.

MR. DICK said he believes that the aforementioned would be addressed in regulation. However, he related his belief that an individual would take care of a grandparent rather than an entire family. Therefore, he indicated that the committee may want to specify that in the statute.

MR. DICK, in response to the definition of "care", explained that when a person claims this absence on the PFD application, the person is required to submit a form ...[tape change].

TAPE 03-10, SIDE B

REPRESENTATIVE FATE pointed out that Section 1(a) of this legislation refers to "an otherwise eligible individual who is

absent from the state during the qualifying year". He emphasized that the language refers to an "individual" not "individuals", which he thought would be defined by the grandparent. Therefore, Representative Fate wasn't concerned with a family [being absent from the state to care for someone].

Number 2961

REPRESENTATIVE GRUENBERG turned to the second paragraph of the fiscal analysis, which says, "The Permanent Fund Dividend Division generally accepts a doctor's statement in determining if the relative is terminally ill" He indicated he thought that answers Chair Weyhrauch's earlier question with regard to how to determine an individual is terminally ill. The amendment to this statute focuses on the terminally ill individual, not the individual going out-of-state to provide care, he pointed out. He surmised that this legislation would include grandchildren as other eligible individuals. To that end, Representative Gruenberg noted that in many cases, adults who go out of state to provide care to a terminally ill [relative] take their minor children with them. Therefore, the problem would be that the caregiver would be covered, but the children would not, and thus the adult caregiver would receive his/her PFD but the children would not. He asked if the aforementioned would be correct.

MR. DICK replied yes and confirmed that the statute speaks only to the caregiver. Mr. Dick clarified that the only people covered under the current statute and who would continue to be covered would be the caregiver not the caregiver's dependents.

REPRESENTATIVE FATE interjected that he didn't intend to change the law but only to expand the statute to include the individual who provides care for their terminally ill grandparent.

Number 2764

REPRESENTATIVE BERKOWITZ pointed out that the statute says "providing care" and sometimes the best care comes from children. Representative Berkowitz related his belief that the statute is sufficiently vague so as to incorporate the notion that care can come in many different forms.

REPRESENTATIVE FATE remarked, "I think in this instance you may be right, but I think we're talking about medical care."

REPRESENTATIVE BERKOWITZ interjected that the statute doesn't refer to medical care.

REPRESENTATIVE FATE acknowledged that the presence of child may boost moral, however that's not usually considered care.

REPRESENTATIVE BERKOWITZ asked if there is a definition of care that he could review.

REPRESENTATIVE FATE indicated that if one were to approach the physician, the physician would provide a definition of care.

REPRESENTATIVE BERKOWITZ pointed out that unless that definition of care is included in the statutes, it is immaterial.

Number 2648

CHAIR WEYHRAUCH related his understanding that Representative Fate's intent is simply to add the words "or grandparent".

REPRESENTATIVE FATE agreed and specified that he didn't become involved in this to modify the entire Act.

CHAIR WEYHRAUCH said that, to him, it seems that any person related in any way would be eligible for a PFD if that individual can provide any reason consistent with their intent to remain a state resident. He noted that the legislature could take the aforementioned discretion away and make it clear and certain, which he related is always a good thing to do. However, he said he isn't sure whether HB 14 is the vehicle.

REPRESENTATIVE BERKOWITZ pointed out that the individual is limited to 180 days within a calendar year and thus the [time absent from the state for an allowable absence] could sum 360 days if the time was from June to January and January to June. He characterized that as somewhat problematic because people can't schedule their illnesses to comport with PFD eligibility. Representative Berkowitz expressed his desire to expand this [Act] to include people providing care to family members, [while recognizing] that there are all types of families of which one is direct blood lineage.

Number 2571

REPRESENTATIVE GRUENBERG expressed concern with Mr. Dick's earlier answer to Representative Berkowitz regarding [paragraph] (14). He interpreted Mr. Dick's earlier answer to be that the

division isn't exercising any discretion at all and not applying [paragraph (14)] at all. He asked if that is correct.

MR. DICK answered that he isn't sure.

REPRESENTATIVE GRUENBERG inquired as to the number of people receiving dividends under [paragraph] (14) who would've been eligible under any other [paragraph].

MR. DICK again answered that he isn't sure. He offered the following example: There are 8,200 felons and misdemeanants who aren't eligible for the PFD in another [paragraph] of the statute, although those individuals were probably out-of-state for less than 180 days. Mr. Dick specified that the intent to remain and residency are always reviewed. Therefore, those who are out-of-state for less than 180 days but move out-of-state toward the end of the year aren't eligible for a PFD.

REPRESENTATIVE GRUENBERG asked if felons and misdemeanants have been awarded a PFD under [paragraph] (14).

MR. DICK reiterated that felons and misdemeanants aren't eligible for a PFD under another statute.

REPRESENTATIVE GRUENBERG asked, "Have you awarded them dividends under [paragraph] (14)?"

MR. DICK replied no.

REPRESENTATIVE GRUENBERG asked if the division has awarded anyone a dividend under [paragraph] (14).

MR. DICK answered yes and informed the committee that the division has given dividends to persons outside the state for less than 180 days, so long as those individuals are residents.

REPRESENTATIVE GRUENBERG asked, "Have you given anybody a dividend under [paragraph] (14) who would not have been eligible under any other [paragraph], that you can recall?"

MR. DICK explained that if an individual wasn't eligible under another [paragraph], then the division would not have given the individual the dividend.

REPRESENTATIVE GRUENBERG interjected, "Then the answer to my question is no."

MR. DICK answered that would be correct.

CHAIR WEYHRAUCH asked if military personnel would be eligible under [paragraph (14)].

REPRESENTATIVE GRUENBERG pointed out that the eligibility of military personnel is addressed under another [paragraph].

Number 2405

REPRESENTATIVE SEATON related his understanding that individuals who leave the state for less than 180 days would be eligible for the PFD under [paragraph] (14).

MR. DICK answered that is correct so long as the individual maintains residency and doesn't take steps while out-of-state to break residency. Mr. Dick informed the committee that there have been individuals who have traveled out-of-state and taken a job out-of-state. However, the individual ultimately decided that he/she didn't want to stay and thus he/she returned to Alaska. Those individuals broke residency, weren't residents for the entire qualifying year, and thus were denied the PFD.

REPRESENTATIVE BERKOWITZ inquired as to the number of individuals who have been denied a dividend and applied under [paragraph] (14).

MR. DICK related his understanding that the question is attempting to address those persons who aren't eligible under another section of the statute.

REPRESENTATIVE BERKOWITZ clarified that he wants to understand if there is a catchall provision allowing the department discretion to award dividends when situations don't specifically fit into one of the specified exceptions under AS 43.23.008.

MR. DICK replied no, the division follows the statutes very strictly.

Number 2354

REPRESENTATIVE BERKOWITZ noted that there is a group of people who do not receive their dividend; many of those people initiate an appeal. Those appeals have to be done under the subsection of the law, he said. He requested information as to the number of those appeals that were launched under [paragraph] (14). Of

those appeals launched under [paragraph] (14), how many were granted, he asked.

MR. DICK corrected his earlier statement regarding the children of those who travel out-of-state to provide care to the sick relative. He stated that under [paragraph] (13) those children would be covered.

CHAIR WEYHRAUCH commented that this legislation is interesting because it raises tangential issues which may give rise to larger omnibus legislation addressing many of the aforementioned concerns. However, he related that he isn't sure whether HB 14 is the vehicle for those. He said he believes the immediate need is to address [the inclusion] of grandparents and thus he noted his desire to take action on this [legislation]. He offered to work with the members of the committee and the division to address the concerns in a larger context in another piece of legislation.

REPRESENTATIVE BERKOWITZ pointed out that the proposed amendment would also fit well in [paragraph] (8) of [AS 43.23.008]. Furthermore, if those issues can be addressed by a definition of "family" [and] "guardian", then [the committee] could ensure that the intent of Representative Fate's legislation is realized.

The committee took an at-ease from 9:08 a.m. to 9:17 a.m.

REPRESENTATIVE BERKOWITZ moved to report HB 14 out of committee with individual recommendations and the accompanying fiscal notes.

REPRESENTATIVE BERKOWITZ announced that his recommendation will be to amend the legislation. He expressed the need to correct the definition of "family" in [paragraph] (7) as well as [paragraphs] (6) and (8), which seem to include parallel lists of individuals.

CHAIR WEYHRAUCH asked if there was any objection to the motion. There being no objection, HB 14 was reported from the House State Affairs Standing Committee.

HB 15-TELEMARKETERS NO-CALL LISTS

CHAIR WEYHRAUCH announced that the final order of business was HOUSE BILL NO. 15, "An Act relating to establishing the Alaska No-Call List, a data base of residential telephone customers who

do not wish to receive telephonic solicitations; providing that the data base be compiled at no cost to the customers; requiring paid telephonic sellers to purchase the data base; requiring telephonic sellers to identify themselves; requiring telephonic solicitors who are otherwise exempt from registration as telephonic solicitors to file with the Department of Law and purchase the data base; and providing for an effective date."

CHAIR WEYHRAUCH announced that the committee is not going to take action on HB 15, but he offered to allow testimony from Marie Darlin.

Number 1989

MARIE DARLIN, AARP Capital City Task Force, informed the committee that she has testified on this matter before and the committee should have AARP's written support of HB 15. She noted that [AARP representatives] spent considerable time working with the sponsor of last year's legislation. Ms. Darlin recalled that last year's legislation went through both sessions, and she expressed the hope that it wouldn't take that long again.

CHAIR WEYHRAUCH announced that although it's unclear when this legislation will be heard again, the committee will hear it again because it is an important issue.

[HB 15 was held over.]

ADJOURNMENT

There being no further business before the committee, the House State Affairs Standing Committee meeting was adjourned at 9:20 a.m.