

ALASKA STATE LEGISLATURE
HOUSE STATE AFFAIRS STANDING COMMITTEE

February 25, 2003

8:01 a.m.

MEMBERS PRESENT

Representative Bruce Weyhrauch, Chair
Representative Jim Holm, Vice Chair
Representative Nancy Dahlstrom
Representative Bob Lynn
Representative Paul Seaton
Representative Ethan Berkowitz

MEMBERS ABSENT

Representative Max Gruenberg

COMMITTEE CALENDAR

CONFIRMATION HEARING

Commissioner, Department of Administration

Mike Miller - Juneau

- CONFIRMATION(S) ADVANCED

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."

- SCHEDULED BUT NOT HEARD

PREVIOUS ACTION

No previous action to record

WITNESS REGISTER

MIKE MILLER, Commissioner
Department of Administration
Juneau, Alaska

POSITION STATEMENT: Testified as appointed commissioner of the
Department of Administration.

ACTION NARRATIVE

TAPE 03-13, SIDE A

Number 0001

CHAIR BRUCE WEYHRAUCH called the House State Affairs Standing Committee meeting to order at 8:01 a.m. Representatives Holm, Seaton, Berkowitz, and Weyhrauch were present at the call to order. Representatives Dahlstrom and Lynn arrived as the meeting was in progress.

CONFIRMATION HEARING

Commissioner, Department of Administration

Number 0030

CHAIR WEYHRAUCH announced that the committee would consider the appointment of Mike Miller to the position of commissioner of the Department of Administration. He commented that Mr. Miller comes before the committee with an extensive background. He invited Mr. Miller to provide opening remarks and answer questions.

Number 0206

MIKE MILLER, Commissioner, Department of Administration (DOA), told the committee he was born in Fairbanks and raised in North Pole. He received all of his education in Alaska, including some studies at the University of Alaska. He spent some time in the Alaska Air National Guard in the early '70s. He noted that he grew up "in a family business", since his parents started the Santa Clause House [in North Pole] in 1952. He worked for a short time on the Trans-Alaska Pipeline, and worked in a warehouse in Fairbanks for five years as a Teamster.

COMMISSIONER MILLER told members that in 1976 he was elected to the North Pole City Council and served for four years. He opined that spending time on local government is much tougher than spending time in state government, saying the issues are different and people take it much more personally. He noted

that he was elected to the state House of Representatives in [1982] and spent ten years there, followed by eight years in the Senate. During that time, he held a number of chairmanships, as well as the office of Senate president from 1997-1998, which he said was the highlight of his Senate tenure.

COMMISSIONER MILLER told the committee that he has been involved in a number of church, local, and other political activities, in organizations such as the Fairbanks Chamber of Commerce and the North Pole Chamber of Commerce; last year, he was elected vice chairman of the North Pole Housing Association. He said he is married, has two daughters, and is a grandfather.

Number 0528

REPRESENTATIVE BERKOWITZ asked Commissioner Miller to comment on reorganization of the department.

COMMISSIONER MILLER said there has been discussion of reorganization, but it isn't concrete yet. One question being asked is whether some services currently provided by DOA could be better provided by the Department of Health & Social Services (DHSS), such as some senior services. In further response, he said the public defender's office and OPA [Office of Public Advocacy] will stay within DOA. In response to a question by Chair Weyhrauch, he indicated there had been discussion of whether the Department of Law or the courts might be a place where those would fit in; however, the courts are a separate branch of government and weren't interested, and there could have been some conflict of interest. Thus those two agencies will remain within DOA, where there isn't a conflict of interest. He said that he's gotten to know the two directors there; he opined that they're doing a good job. He added that the job of public defender isn't a popular one.

Number 0728

CHAIR WEYHRAUCH said there's talk of forming a centralized panel of hearing officers. He asked Commissioner Miller how many divisions within DOA have their own hearing officers.

COMMISSIONER MILLER said he didn't know, but could find out in time for the upcoming department overview [before this committee]. He said the idea was centered on the tax office set up a number of years ago in DOA. He said he has talked to a number of individuals who have gone through that process; even those who'd lost had believed they received due process. He

stated that it is his goal to work with the legislature "to see if we can set this up, but we may not be able to set it up." He expressed the desire to ensure that it's cost-effective and will work, and indicated the form it would take isn't set yet; it's an evolving process. He added, "The legislature's taking the lead on that, and we're just offering any assistance."

Number 0876

REPRESENTATIVE BERKOWITZ asked Commissioner Miller to describe his philosophy towards the state employee unions and what approaches he would be taking regarding recruiting and retention.

COMMISSIONER MILLER replied that he thinks that the workforce in the State of Alaska is very important. There are 12 separate contracts currently being negotiated. He indicated that there is an offer on the table from the administration, which includes \$75 a month for health insurance and "a one-year rollover on the contract." He noted that a number of the unions are discussing [contracts]. He said [DOA] is working closely with its "labor people" to understand each contract. As for recruitment, he opined that there were very helpful things done by the prior administration. He mentioned Workplace Alaska as a good tool to recruit people into state service.

COMMISSIONER MILLER offered his philosophy that the state needs a well-trained and well-paid workforce; however, it does not need to be at the top or bottom of the [pay] scale. He said he has found his employees to be very dedicated public servants. He posited that this is true of 99.9 percent of state workers. He said he would work hard to make sure that qualified people fill jobs. He noted that he has already [approved] a number of travel requests for people who need "upgrading in education."

Number 1083

CHAIR WEYHRAUCH asked who is working as liaison with the unions in the negotiation of contracts.

COMMISSIONER MILLER answered that [Governor Murkowski] brought in Andy Warwick and Bill Hudson, both former legislators and former commissioners of [DOA]. He said they've started to do some of the groundwork regarding the monetary issues on the upcoming contracts that will be expiring June 30 [2003], to his belief. He also mentioned a "labor relations department" within

DOA, and [Art] Chance, who is the manager of that division and does the legwork and the negotiations of the contracts.

Number 1175

CHAIR WEYHRAUCH asked Commissioner Miller what his priorities in DOA are.

COMMISSIONER MILLER answered that, first, he wants to make DOA a very well-rounded department. He said he has told some of directors that he will place high standards on the department and wants it to be a template for how other agencies should run - open and overboard. He added, "We're charged with delivering a service to the people of the state of Alaska, and we take our orders from the legislature and from the governor, and whatever those services are that we're supposed to deliver, my charge is to deliver them efficiently and properly."

Number 1263

REPRESENTATIVE SEATON noted that one major theme set forth by [Governor Murkowski] is streamlining regulations. He asked Commissioner Miller if that would also be a goal for DOA.

COMMISSIONER MILLER answered that it should be a goal of all departments, to make regulations understandable to the average person in Alaska. He said he is [aware] that regulations sometimes don't follow legislative intent. He said another of his goals is that [regulations] should follow legislative intent and, if the intent is unclear, he said it will be his charge to ask the legislature for clarification.

Number 1368

REPRESENTATIVE SEATON referred to APOC [Alaska Public Offices Commission] and mentioned an "almost unintelligible set of regulations and instructions. He asked, "Will that be one of the areas that you try to make clear, within the Department of Administration?"

COMMISSIONER MILLER answered that [DOA] needs to work with the board [of APOC] in finding out the intent of the regulations.

Number 1436

REPRESENTATIVE BERKOWITZ said, "We've heard that you've gone through 5 and 10 percent cut scenarios, and you know how

frustrating it is to sit on this side of the table and ask for something and not get them." He indicated that Commissioner Miller may have some sympathy for [the legislature's] plight, and asked him for his views regarding a 5 and 10 percent scenario for DOA.

COMMISSIONER MILLER replied that the department "threw out those 5 and 10 percent scenarios" because some of them didn't make sense. For example, there's no way that OPA and the public defenders could take even a 1 percent cut. He mentioned a supplemental budget asking for more money. He said each section within his department was considered for cuts; he cited examples including the commissioner's office and the Division of Motor Vehicles (DMV). In further response, he said public broadcasting will probably "take a small hit" of less than 10 percent.

Number 1560

CHAIR WEYHRAUCH said the legislature uses intent language "to help guide implementation of individual or collective concepts or priorities." He asked Commissioner Miller what his philosophy is regarding intent language.

COMMISSIONER MILLER responded that he is a very strong believer in intent language and in "the legislative side of the aisle in giving guidance to the administration on the direction [it] wants to see a program go." He explained that this is the reason he wants to ensure that when regulations are written, the intent of legislation is followed. He said if there is intent language that cannot be implemented, he will be the first person to tell the legislature why it cannot be done. He concluded that it will be his intent to follow the direction of the legislature, whether it be in the actual statute or in intent language.

Number 1640

REPRESENTATIVE BERKOWITZ pointed out that intent language normally is attached to the budget and expresses legislative intent. He noted that the argument against intent language is that it's outside the scope of what's appropriate in a budget. He added, "The governor has, I think, uniformly ... disregarded intent language, and it's always a contentious issue."

CHAIR WEYHRAUCH asked Commissioner Miller why he is qualified to be the commissioner of DOA.

COMMISSIONER MILLER said he has asked himself the same question, and was both surprised and pleased when the governor called him. The department has such a wide range of issues that it deals with, including public defenders, Pioneers' Homes, and DMV; he said sometimes it's hard to understand why some of those agencies are [within] DOA. He told the committee he has had the history of being an administrator in his family business and during his time in the legislature. He said he thinks the commissioner of DOA will work more closely with the legislature because of all the different issues that that department will touch at some point or another. He said a good working relationship with the legislature is important and he hopes he has one. He concluded by saying this is part of how he can repay the state for all it has done for him and his family.

Number 1807

CHAIR WEYHRAUCH expressed appreciation for the tremendous amount of public service to the state given by Commissioner Miller.

COMMISSIONER MILLER introduced some of his management team members and said he has pride in the directors in his agency.

[Although no formal motion was made, the confirmation of Commissioner Miller was advanced from the House State Affairs Standing Committee.]

ADJOURNMENT

Number 1976

There being no further business before the committee, the House State Affairs Standing Committee meeting was adjourned at 8:25 a.m.