

ALASKA STATE LEGISLATURE
HOUSE COMMUNITY AND REGIONAL AFFAIRS STANDING COMMITTEE

March 17, 2005

8:17 a.m.

MEMBERS PRESENT

Representative Kurt Olson, Co-Chair
Representative Bill Thomas, Co-Chair
Representative Pete Kott
Representative Gabrielle LeDoux (via teleconference)
Representative Mark Neuman
Representative Sharon Cissna

MEMBERS ABSENT

Representative Woodie Salmon

COMMITTEE CALENDAR

HOUSE BILL NO. 117

"An Act relating to the liability of the state and municipalities for attorney fees in certain civil actions and appeals; and providing for an effective date."

- MOVED CSHB 117(CRA) OUT OF COMMITTEE

HOUSE BILL NO. 74

"An Act relating to enhanced 911 surcharges."

- HEARD AND HELD

HOUSE BILL NO. 160

"An Act limiting the use of money of the state and its political subdivisions to affect an election."

- HEARD AND HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 117

SHORT TITLE: STATE/MUNI LIABILITY FOR ATTORNEY FEES

SPONSOR(S): RULES BY REQUEST OF THE GOVERNOR

01/28/05	(H)	READ THE FIRST TIME - REFERRALS
01/28/05	(H)	CRA, JUD
02/07/05	(H)	STA REFERRAL ADDED AFTER CRA

02/17/05 (H) CRA AT 8:00 AM CAPITOL 124
02/17/05 (H) Heard & Held
02/17/05 (H) MINUTE(CRA)
03/17/05 (H) CRA AT 8:00 AM CAPITOL 124

BILL: HB 74

SHORT TITLE: 911 SURCHARGE
SPONSOR(S): REPRESENTATIVE(S) HOLM

01/18/05 (H) READ THE FIRST TIME - REFERRALS
01/18/05 (H) CRA, L&C
03/03/05 (H) CRA AT 8:00 AM CAPITOL 124
03/03/05 (H) Scheduled But Not Heard
03/17/05 (H) CRA AT 8:00 AM CAPITOL 124

BILL: HB 160

SHORT TITLE: PUBLIC FUNDS & BALLOT PROPS/CANDIDATES
SPONSOR(S): REPRESENTATIVE(S) STOLTZE

02/18/05 (H) READ THE FIRST TIME - REFERRALS
02/18/05 (H) CRA, STA
03/17/05 (H) CRA AT 8:00 AM CAPITOL 124

WITNESS REGISTER

MATTHEW RUDIG, Staff
to Representative Jim Holm
Alaska State Legislature
Juneau, Alaska
POSITION STATEMENT: Presented HB 74, on behalf of
Representative Holm, sponsor.

LINDA FREED, Manager
City of Kodiak
Kodiak, Alaska
POSITION STATEMENT: Testified in support of HB 74.

JIM ROWE, Director
Alaska Telephone Association
Anchorage, Alaska
POSITION STATEMENT: Expressed concerns with HB 74.

DAVID GIBBS, Emergency Manager/911 Administrator
Kenai Peninsula Borough
Kenai, Alaska
POSITION STATEMENT: During discussion of HB 74, urged the
committee to pass legislation this year.

BILL DOOLITTLE, 911 Project Manager
Municipality of Anchorage
Anchorage, Alaska

POSITION STATEMENT: Urged the committee to support HB 74.

TIM ROGERS
Alaska Municipal League
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 74, but expressed the need for smaller communities to be able to charge in excess of \$2.00.

WALT MONEGAN, Chief
Anchorage Police Department
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 74.

REPRESENTATIVE BILL STOLTZE
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Spoke as the sponsor of HB 160.

KEVIN RITCHIE, Executive Director
Alaska Municipal League (AML)
Juneau, Alaska

POSITION STATEMENT: Expressed some concerns with HB 160.

BROOKE MILES, Executive Director
Alaska Public Offices Commission (APOC)
Anchorage, Alaska

POSITION STATEMENT: Testified that APOC is neutral with regard to HB 160.

ACTION NARRATIVE

CO-CHAIR KURT OLSON called the House Community and Regional Affairs Standing Committee meeting to order at 8:17:00 AM. Representatives Olson, Thomas, Kott, LeDoux (via teleconference), and Neuman were present at the call to order. Representatives Cissna arrived as the meeting was in progress.

HB 117-STATE/MUNI LIABILITY FOR ATTORNEY FEES

CO-CHAIR OLSON announced that the first order of business would be HOUSE BILL NO. 117, "An Act relating to the liability of the

state and municipalities for attorney fees in certain civil actions and appeals; and providing for an effective date."

[8:17:26 AM](#)

CO-CHAIR THOMAS moved that the committee adopt the following amendment:

Page 2, line 5;
Delete "cost or fees"
Insert "attorney fees"

CO-CHAIR THOMAS noted that this amendment was requested by the sponsor.

CO-CHAIR OLSON, upon determining there were no objections, announced that the amendment was adopted.

[8:17:49 AM](#)

CO-CHAIR THOMAS moved to report HB 117, as amended, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 117(CRA) was reported out of the House Community and Regional Affairs Standing Committee.

HB 74-911 SURCHARGE

[8:18:17 AM](#)

CO-CHAIR OLSON announced that the next order of business would be HOUSE BILL NO. 74, "An Act relating to enhanced 911 surcharges."

[8:18:49 AM](#)

CO-CHAIR THOMAS moved to adopt CSHB 74, Version L, as the working document. There being no objection, Version L was before the committee.

[8:19:02 AM](#)

MATTHEW RUDIG, Staff to Representative Jim Holm, Alaska State Legislature, explained that enhanced 911 allows the exact location of a caller [to be provided to the 911 center]. The surcharge would pay for the technology, the software, and the dispatch related to enhanced 911. This proposed committee

substitute (CS) eliminates the current statutory provision specifying that a municipality, through the telephone bill, may charge \$.50-\$.75 based on population, and replaces it with a provision that would allow a surcharge of up to \$2 regardless of the city's size. The legislation further specifies that if a municipality wants to implement a surcharge higher than \$2.00, it must go to a vote of the people. The legislation also mandates that municipalities set the same rate for wire line, hard line, and wireless phones. Mr. Rudig turned attention to a recent Federal Communications Commission (FCC) ruling, which he characterized as a truth-in-billing order. He acknowledged that there was concern that this FCC ruling could impact [the state's] ability to authorize an enhanced 911 surcharge on wireless telephones, although it has been learned that the formal ruling will impact the [state's] ability regarding how the surcharge is listed on the wireless bill, but not the ability to assess the surcharge. The same notice specifies that the state can authorize a surcharge for wireless phones, but [the state] can't legislate how the surcharge appears on the subscriber's bill. Therefore, the state can't require a separate line item to be listed. Mr. Rudig then related a statement from Kathleen Abernathy, FCC Commissioner, as follows: "We also narrowly defined our preemption to address only those state regulations that either require or prohibit the use of line items. The item makes clear that nothing in our action today limits the state's ability to assess taxes." In order to ensure that the state is in compliance with the FCC ruling, an amendment to eliminate the current statutory requirement that the 911 surcharge be listed separately was prepared.

[8:23:10 AM](#)

REPRESENTATIVE NEUMAN expressed concern with situations in which a family has one billing [address] while each family member has a separate phone number. He inquired as to whether the surcharge would apply to fax and Internet lines as well.

MR. RUDIG confirmed that the surcharge would be applied per line.

[8:24:07 AM](#)

REPRESENTATIVE KOTT continued with Representative Neuman's earlier situation and asked if one number is billed and the others are tacked on, or is each number billed separately.

MR. RUDIG deferred to wireless representatives.

REPRESENTATIVE KOTT pointed out that one of the provisions in the legislation specifies that there will be a fee on each wireless telephone number billed to an address. However, the legislation also includes a provision specifying that each wire line number would receive a surcharge.

REPRESENTATIVE NEUMAN informed the committee that he receives one bill for a wireless family with three lines. However, this legislation seems to mean that each line would receive a surcharge. Representative Neuman pointed out that the legislation specifies that the governing body or municipality can review the surcharge annually to determine whether it's adequate or insufficient.

MR. RUDIG pointed out that the language to which Representative Neuman is referring is existing statutory language and the legislation refers to the surcharge being up to \$2.00.

[8:28:17 AM](#)

REPRESENTATIVE NEUMAN opined that it seems that government agencies try to provide the best they can, which costs money. Therefore, he said he believes the \$2.00 surcharge would be charged because the more money that could be utilized for the system, the better the system. He reviewed the various items that this would cover from Internet, phone, fax, and cellular service. He indicated that he could live with a \$2.00 per billing family surcharge.

MR. RUDIG pointed out that the existing statute already refers to a per line [surcharge]. He also pointed out that communities are losing money providing these enhanced 911 services under the current fee, which is illustrated in the document entitled "E-911 Dispatch Center Costs and Revenues Selected Alaska Cities." He explained that what's happening is cities such as Fairbanks are taking money from property taxpayers to finance the enhanced 911 system. Therefore, this legislation attempts to raise the surcharge such that less money is taken from the property taxpayers.

[8:31:29 AM](#)

REPRESENTATIVE LEDOUX related her understanding that no municipality or borough would be able to charge the enhanced 911 service if such service isn't offered in that area.

MR. RUDIG said that's correct, and informed the committee that the FCC code specifies that the surcharge can only be charged for enhanced 911 service.

REPRESENTATIVE LEDOUX asked whether those areas that don't receive any 911 service are charged a fee.

MR. RUDIG replied no.

[8:32:58 AM](#)

LINDA FREED, Manager, City of Kodiak, spoke in support of HB 74. Ms. Freed opined that legislation [such as HB 74] needs to pass this session. She informed the committee that the City of Kodiak spends approximately \$600,000 a year on its enhanced 911 system and dispatch system. Without an individual to answer the 911 call and dispatch the appropriate response group, the system is incomplete. Current statute only allows the enhanced 911 surcharge to be used for the enhanced 911 services. Therefore, she requested changing the statute to allow the surcharge funds to be used for the entire emergency response dispatch system because it would allow communities to offset the true cost of the larger system. She opined that local government has the best ability to set the amount of the surcharge. However, if the legislature feels the \$2.00 cap is appropriate, Ms. Freed said she would support it because the current \$.75 cap isn't coming close to paying for the system. Ms. Freed informed the committee that the City of Kodiak is effectively the regional emergency dispatch system for the entire Kodiak area. Because of Kodiak's regional perspective, it's important for [the City of Kodiak] to be able to help pay for the system through the surcharge. In conclusion, Ms. Freed encouraged the committee to move this legislation or some other amendment [to statute] forward this session.

[8:36:47 AM](#)

REPRESENTATIVE NEUMAN asked if Ms. Freed supported a \$2.00 cap per billing address or per line.

MS. FREED specified that the billing is per line, and therefore if the surcharge is based per billing [address], the [City of Kodiak] would lose money based on what's being collected now. [Implementing the surcharge per line] is of particular importance for wireless phones that could be in separate locations.

REPRESENTATIVE NEUMAN asked if Ms. Freed would support a higher surcharge cap, such as \$4.00-\$6.00 per line per billing [address].

MS. FREED reiterated that it would be most appropriate for the local community operating the system to establish the amount of the surcharge through a local hearing process. Ms. Freed said that if the legislation is changed such that communities were required to bill on a billing address basis, she could analyze that and offer some suggestions.

[8:39:03 AM](#)

CO-CHAIR THOMAS inquired as to who receives the surcharge when 911 is called from wireless service that is roaming.

MR. RUDIG answered that the surcharge, that is if there is such service in the billing address area, would go to the billing address.

CO-CHAIR THOMAS surmised then that when an individual with a billing address in Haines calls 911 in Anchorage, Anchorage wouldn't receive the surcharge.

MR. RUDIG replied that's correct.

[8:40:53 AM](#)

REPRESENTATIVE NEUMAN questioned how [the emergency dispatch system] would know the location of the cell phone.

MR. RUDIG explained that [tracking would be possible] under Phase II technology, which is just [beginning to be used]. Currently, [the emergency dispatch system] can't track the location of a call made from a cell phone.

[8:41:51 AM](#)

JIM ROWE, Director, Alaska Telephone Association, commented that Version L is an improvement over earlier legislation. Mr. Rowe informed the committee that the companies he represents are rural carriers. Mr. Rowe expressed concern that there is no cap. He expressed the telephone companies' interest in having as many people in the state having access to telecommunications as possible. However, as the rates and costs of owning a telephone rise, whether it be a wireless or land line, that places pressure on people to not have a telephone.

MR. ROWE related his understanding that most people believe that telephone companies are the cause of enhanced 911 systems. However, this is a matter of emergency response, which is of great use to a municipality. Mr. Rowe clarified that telephone companies aren't the cause of 911, but facilitate the opportunity for response. He said the notion that perhaps the cost for emergency response shouldn't be funded with property taxes and should only be a burden on those paying for telephone service doesn't make good sense to him. With regard to the earlier mentioned FCC ruling, he related that there is much confusion regarding what the decision did. The earlier mentioned FCC news release also says, "The commission clarifies that state regulations requiring or prohibiting the use of line items for CMRS [commercial mobile radio services] constitute regulation and are preempted." From the "Wireless Week", March 10, 2005, article entitled "FCC Holds Wireless To New Standard", Mr. Rowe quoted the following:

The most controversial portion of the agency's truth in billing action today, however, was its pre-emption of state utility commissions over the "line items" included on wireless bills. Items such as E 911 surcharges, universal service fund items, primary carrier surcharges and other cost recovery mechanisms that appear on customers' bills separated out from the main service charge and mandated by some states, weren't valid. The FCC preempted state utility commissions' authority to mandate such line item charges

MR. ROWE informed the committee that he had called the senior legal advisor [for the FCC] and inquired as to the [FCC's] intent with its ruling. The legal advisor specified that the intent wasn't to exclude these items, but until it's all written up the final decision is unknown. Mr. Rowe agreed with Mr. Rudig in that he didn't believe 911 surcharges will be preempted, although some experts writing for telecommunications press believe otherwise. Therefore, Mr. Rowe said that he is in a quandary regarding what is applicable even if legislation is passed.

[8:47:10 AM](#)

DAVID GIBBS, Emergency Manager/911 Administrator, Kenai Peninsula Borough, said that he would echo many of Ms. Freed's comments. The current surcharge level doesn't adequately

support the [emergency response] services. He informed the committee that the [Kenai Peninsula Borough] is in the process of attempting to do the planning to implement wireless Phase I and II. He urged the committee to pass legislation this year, and said he would support an increase in the surcharge. He echoed Ms. Freed's earlier comment that local government officials are in the best position to determine the level of funding for the services provided.

8:48:06 AM

BILL DOOLITTLE, 911 Project Manager, Municipality of Anchorage, encouraged the committee's support of the legislation. Although there has been discussion of concern with regard to FCC rulemaking, he opined that the FCC will eventually allow state-mandated surcharges such as 911 surcharges. The current surcharge and the proposed \$2.00 cap are both insufficient for most communities. From the urban area perspective, agencies who have elected to create 911 programs have found the surcharge insufficient. However, the communities in rural areas may find the surcharge is now sufficient to actually create the programs and thus new enhanced 911 systems may come into existence.

8:49:30 AM

TIM ROGERS, Alaska Municipal League (AML), stated that this legislation is important to ensure the continuation of improvements and operations of the emergency response systems throughout the state. Mr. Rogers related that legislation enabling a surcharge has changed over time. Such legislation was first passed to help local government upgrade its 911 system to an enhanced system, which allows the [dispatcher] to identify the location of the call from a land line. In the case of a cell phone [the dispatcher] receives the number of the caller, but doesn't know the location of the caller. Mr. Rogers explained that one of the purposes of the proposed increase in the surcharge is to help fund Phase II of the enhanced 911 service, which would allow [the dispatcher] receiving a wireless call to know the location of the caller. The location of the caller is imperative in an emergency, he remarked. Phase II will either entail a global positioning system [GPS] in the unit or triangulation on the cell towers by the telephone company. He opined that [enhanced 911] is a vast improvement and will save many lives. However, many local governments need help to accomplish such an upgrade. Many of the programs, such as revenue sharing, that were used to fund 911 service in the past have disappeared. He highlighted that it's important to note

that this legislation doesn't impact those communities that don't have an enhanced 911 system. Furthermore, the [surcharge] can't be implemented unless the proceeds are to support or acquire an enhanced 911 system. Mr. Rogers related that AML does support the legislation, although it would like to see a differential for smaller communities such that they could authorize a surcharge higher than \$2.00.

[8:53:32 AM](#)

WALT MONEGAN, Chief, Anchorage Police Department, announced his support of HB 74, and urged its passage. Chief Monegan explained that out of the current surcharge of \$.50, with the 100 line cap, [the municipality] must pay the 911 provider \$.21 per line for the 911 provider's cost and database management. He highlighted that with the 100 line cap, the [municipality] is still paying for many lines for which no surcharge is being received, not to mention those visitors using [the 911 services]. Chief Monegan informed the committee that all told the [enhanced 911 system in Anchorage] is approximately \$4 million in the red, and therefore money has to be taken from elsewhere. He further informed the committee that about 50 percent of all of [the Municipality of Anchorage's] 911 calls come from cell phones. With the expectation of Phase II wireless, he predicted that there will be a further increase in 911 calls from cell phones.

[8:56:38 AM](#)

REPRESENTATIVE NEUMAN expressed concern that Phase II would possibly allow the government to obtain records of the location of cell phone users.

CHIEF MONEGAN interjected that in order to provide such information, a subpoena is necessary, particularly in criminal investigations. However, in the case of an emergency, there may be ways to respond to a request for help.

REPRESENTATIVE NEUMAN commented that perhaps an emergency locator beacon may be more appropriate to place in a cell phone than GPS.

CHIEF MONEGAN reiterated that under Phase II, either GPS or triangulation will provide the location of the cell phone caller. With regard to the earlier discussion about being billed per address, Chief Monegan informed the committee that [the Municipality of Anchorage] is being billed per line and

thus any other proposal would result in a loss of funds. He then related that the \$2.00 cap will work for Anchorage for a number of years.

[8:59:46 AM](#)

REPRESENTATIVE KOTT asked if Chief Monegan would support a change in statute to remove the 100 local exchange lines restriction.

CHIEF MONEGAN replied yes, because [the municipality] is already paying for many of those. Lifting the cap would make the revenue [coming in to pay for the enhanced 911 system] more realistic.

[9:01:25 AM](#)

CO-CHAIR OLSON announced that HB 74 would be held over.

CO-CHAIR OLSON passed the gavel to Co-Chair Thomas.

The committee took an at-ease from [9:01:41 AM](#) to [9:08:42 AM](#).

[HB 74 was taken up again later in this meeting.]

HB 160-PUBLIC FUNDS & BALLOT PROPS/CANDIDATES

[9:08:44 AM](#)

CO-CHAIR THOMAS announced that the next order of business would be HOUSE BILL NO. 160, "An Act limiting the use of money of the state and its political subdivisions to affect an election."

[9:08:53 AM](#)

REPRESENTATIVE BILL STOLTZE, Alaska State Legislature, presented HB 160 as a modest campaign finance reform measure, which will prohibit local governments from using money to influence ballot measures. He noted that there are already prohibitions in place with regard to campaigns involving candidates. Representative Stoltze opined, from the conversations that he has had, that the public generally supports this measure. In fact, most people thought it was already illegal. If people already believe something is in law, then it's probably best to ratify it, he stated. This legislation protects municipalities, smaller ones in particular, from political pressures. He related his belief

that the legislation includes enough protections to allow the dissemination of neutral information.

[9:11:52 AM](#)

REPRESENTATIVE NEUMAN asked whether HB 160 would limit those on school boards from actively promoting school bonds. He related his understanding that this legislation merely limits spending municipal funds on the aforementioned.

REPRESENTATIVE STOLTZE responded that he didn't believe HB 160 would prohibit one, such as a school board member, from attending community forums, although it may prohibit such an individual from [using municipal funds] to travel to another community [to promote/oppose a particular issue].

CO-CHAIR THOMAS turned attention to page 1, lines 13-14, and asked if the language refers to employees [of the entities specified on page 1, lines 9-12].

REPRESENTATIVE STOLTZE clarified that the distinction would be whether [the employee] is present as an individual or a representative of the entity [by which the individual is employed].

CO-CHAIR THOMAS related his understanding that although municipalities can't use [municipal funds to influence ballot measures], a member of the assembly can campaign and create a group for a ballot measure.

REPRESENTATIVE STOLTZE recalled that during the last two elections [in Anchorage] the superintendent of the Anchorage School District was involved in an independent entity to [influence the outcome of a ballot measure]. He opined that the aforementioned was [funded outside of municipality funds], which was appropriate. He opined that government entities shouldn't be involved in expending public funds to influence elections.

[9:14:52 AM](#)

REPRESENTATIVE NEUMAN surmised then that the intent of HB 160 is to ensure that municipal funds aren't spent to influence [elections], while allowing people the freedom to speak so long as they aren't spending government funds to promote any political activities.

REPRESENTATIVE STOLTZE replied yes, adding that he didn't want to stifle anyone's Second Amendment rights. Although an assembly member, for example, may maintain a strong voice for his or her community, [that member] shouldn't dip into the government treasury to do so. There are enough mechanisms, such as a political action committee (PAC), available through which an effort could be put forth. Representative Stoltze characterized this as an issue of public trust, which often backfires when one uses taxpayers' money [to influence an election].

[9:16:57 AM](#)

REPRESENTATIVE LEDOUX recalled passage of legislation to promote hunting, trapping, and fishing as one of the commissioner of Alaska Department of Fish & Game's (ADF&G) duties. She further recalled Representative Kelly discussing when outside interests enter the state. The laws seem to prohibit the state from taking a position on ballot propositions and this legislation seems to make it even more difficult for the state or the municipality to take positions against some of the outside interests that want to make changes in Alaska.

REPRESENTATIVE STOLTZE specified that this legislation wouldn't prohibit the ADF&G commissioner from stating a position of state policy. However, the state wouldn't run advertisements, although another group could use the department's statements in its own private campaign.

[9:20:00 AM](#)

REPRESENTATIVE LEDOUX expressed concern that one could argue that someone being paid a salary is using [government] resources to advocate a matter or position if that individual, in the course of his or her duties specifies that the state doesn't like something.

REPRESENTATIVE STOLTZE clarified that it's not his intent for a commissioner of ADF&G to be barred from attending a public forum of a public interest. This legislation closes a loophole that municipalities can use funds by passage of a simple ordinance. He said he would ferret out a legal opinion on that matter.

[9:21:47 AM](#)

REPRESENTATIVE KOTT surmised then that HB 160 would prohibit the Permanent Fund Corporation from advocating the percent of market value (POMV) with state funds.

REPRESENTATIVE STOLTZE related his belief that currently the Permanent Fund Corporation would be prevented [from advocating, with the use of state funds, a specific methodology]. This legislation only speaks to closing the municipal loophole.

[9:22:57 AM](#)

KEVIN RITCHIE, Executive Director, Alaska Municipal League (AML), agreed with the sponsor in that good government is the issue and how good government is implemented is key. He commented that good government is dependent upon the flow of information between elected officials and residents [of the area]. The [language in the legislation] that speaks of only disseminating the time and place of meeting would be ripe for litigation, he mentioned. Mr. Ritchie provided the following example of what he characterized as good government in which a municipality felt the need to raise its sales tax in order to provide adequate services. Very seldom will there be a local advocacy group for raising a sales tax. Because one size doesn't fit all, it would be nice to specify what is appropriate for municipalities to do or not do. For example, it would be appropriate to have a series of meetings around the community regarding the situation of the community and what might be done with a proposed sales tax. Often, good government also includes sending out a brochure on the matter. There is a gray line with regard to what is appropriate or not and often people who feel "had" vote against the measure or don't re-elect those involved with the measure. Mr. Ritchie indicated the need to clarify this gray line without taking away the ability of local government to have a conversation with the public on the policy.

[9:27:11 AM](#)

REPRESENTATIVE NEUMAN asked if Mr. Ritchie could make any suggestions and work with Representative Stoltze on this matter.

MR. RITCHIE answered that he would try to work with the sponsor. However, he said that he hasn't determined how to define the gray line. He noted agreement with the bright line this legislation draws regarding the inability for public money to be used to influence the outcome of an election of a candidate. However, a ballot issue could be a critical area of public policy and for the municipality not to have the broad ability to

participate in the public policy discussions may cause a problem in some areas.

[9:28:50 AM](#)

REPRESENTATIVE KOTT asked if a municipality has ever used public funds to support or endorse a candidate for office.

MR. RITCHIE said not that he knew of, adding that it would be illegal.

[9:29:19 AM](#)

BROOKE MILES, Executive Director, Alaska Public Offices Commission (APOC), stated that APOC takes a neutral position on HB 160. Current law prohibits the state and its political subdivisions from spending its money in efforts to support or oppose a candidate. However, current law permits the expenditure of public money to support or oppose a ballot proposition if the funds are appropriated specifically for that purpose by state law or municipal ordinance. Since the aforementioned provision has been in effect since January 1997, the state hasn't appropriated funds to support or oppose a ballot measure. However, APOC did have substantial discussions with the Permanent Fund Corporation last election year as the corporation considered what it would do if POMV was on the ballot. The APOC issued some complex informal advice. Ms. Miles highlighted that many municipalities and school districts have appropriated and spent money to support local issues such as school bonds and capital improvement projects.

CO-CHAIR THOMAS announced that HB 160 would be held over.

HB 74-911 SURCHARGE

[9:31:41 AM](#)

CO-CHAIR THOMAS returned the committee's attention to HOUSE BILL NO. 74, "An Act relating to enhanced 911 surcharges."

[9:32:18 AM](#)

REPRESENTATIVE KOTT moved that the committee rescind its action in adopting CSHB 74, Version L. There being no objection, it was so ordered.

[9:32:39 AM](#)

REPRESENTATIVE KOTT moved to adopt CSHB 74, Version 24-LS0043\S, Cook, 2/25/05, as the working document. There being no objection, Version S was before the committee.

[HB 74 was held over.]

ADJOURNMENT

There being no further business before the committee, the House Community and Regional Affairs Standing Committee meeting was adjourned at [9:32:53 AM](#).