

HOUSE FINANCE COMMITTEE  
March 30, 2005  
9:06 a.m.

CALL TO ORDER

Co-Chair Meyer called the House Finance Committee meeting to order at [9:06:38 AM](#).

MEMBERS PRESENT

Representative Mike Chenault, Co-Chair  
Representative Kevin Meyer, Co-Chair  
Representative Bill Stoltze, Vice-Chair  
Representative Eric Croft  
Representative Richard Foster  
Representative Mike Hawker  
Representative Jim Holm  
Representative Reggie Joule  
Representative Mike Kelly  
Representative Carl Moses  
Representative Bruce Weyhrauch

MEMBERS ABSENT

None

ALSO PRESENT

Representative Lesil McGuire; Suzanne Cunningham, Staff,  
Representative Kevin Meyer; Sharon Barton, Director,  
Permanent Fund Dividend Division, Department of Revenue;  
Heath Hilyard, Staff, Representative Mike Kelly; Jenny  
Pursell, Alaska Wildlife Alliance, Juneau

PRESENT VIA TELECONFERENCE

Russell Walker, Anchorage; Shelly Brewer, Anchorage; Joe  
Sullivan, Anchorage; Denmer Wells, Anchorage; Brian  
Brubaker, Anchorage; Justin Barbalace, MatSu; Ken Day,  
Homer; Chris Day, Homer; John Toppenberg, Director, Alaska  
Wildlife Alliance, Anchorage; Jennifer Yuhas, Alaska Outdoor  
Council

SUMMARY

HB 127 "An Act relating to service in the peace corps and  
to service as a diplomat in the United States  
Foreign Service as allowable absences from the  
state for purposes of eligibility for permanent  
fund dividends and to the period for filing an  
application for a permanent fund dividend;  
authorizing the Department of Revenue to issue  
administrative orders imposing sanctions for

certain misrepresentations or other actions concerning eligibility for a permanent fund dividend and providing for administrative appeal of those orders; and providing for an effective date."

CSHB 127 (FIN) was REPORTED out of Committee as amended with a "do pass" recommendation and with the accompanying zero fiscal note #1 by the Department of Revenue.

HB 75 "An Act relating to promoting and preserving sport hunting in the state."

CSHB 75 was heard and HELD in Committee for further consideration.

[9:06:50 AM](#)

HOUSE BILL NO. 127

"An Act relating to service in the peace corps and to service as a diplomat in the United States Foreign Service as allowable absences from the state for purposes of eligibility for permanent fund dividends and to the period for filing an application for a permanent fund dividend; authorizing the Department of Revenue to issue administrative orders imposing sanctions for certain misrepresentations or other actions concerning eligibility for a permanent fund dividend and providing for administrative appeal of those orders; and providing for an effective date."

[9:07:27 AM](#)

REPRESENTATIVE LESIL MCGUIRE, sponsor, spoke in support of HB 127. She reported that the Peace Corps provides an important service and its members return to Alaska and contribute to the state. Peace Corps volunteers were one of the original groups that were a recognizable exemption from the eligibility requirements for the permanent fund dividend. Representative McGuire highlighted the many contributions made by members of the Peace Corps. She explained that the second part of the bill would give civil penalty authority to the Department of Revenue to crack down on dividend fraud.

Vice-Chair Stoltze asked if this is the same bill as last year's bill. Representative McGuire replied yes. She noted that a Peace Corps Volunteer application has been included in the members' packets (copy on file.)

[9:12:14 AM](#)

RUSSELL WALKER, ANCHORAGE, (via teleconference) shared his Peace Corps experiences in Africa. He explained that a Peace Corps worker is alone in the country and that some have died in service to the United States. He submitted written testimony about "Fallen Peace Corps Volunteers Memorial Project"(copy on file.) He testified in support of HB 127.

SHELLY BREWER, ANCHORAGE, (via teleconference) requested that the permanent fund dividend be reinstated for future Peace Corps workers. She shared her experience as a Peace Corps worker in Romania.

[9:18:41 AM](#)

JOE SULLIVAN, ANCHORAGE, (via teleconference) shared his experiences in Zambia in the Peace Corps. He spoke in favor of HB 127.

[9:22:15 AM](#)

DENMER WELLS, ANCHORAGE, (via teleconference) shared his Peace Corps experiences in Thailand and testified in support of HB 127.

BRIAN BRUBAKER, ANCHORAGE, (via teleconference) spoke in support of HB 127 and in support of Peace Corps workers.

[9:28:45 AM](#)

JUSTIN BARBALACE, PALMER, (via teleconference) spoke as a Peace Corps nominee in support of HB 127.

Co-Chair Meyer closed public testimony.

[9:30:10 AM](#)

Co-Chair Meyer MOVED to ADOPT Amendment 1 which reads as follows:

Page 2, line 29:  
Delete "[OR](14), or (15)"  
Insert "or (15)[14]"

Vice-Chair Stoltze OBJECTED for discussion purposes.

SUZANNE CUNNINGHAM, STAFF, REPRESENTATIVE KEVIN MEYER, explained that Amendment 1 closes a loophole regarding the eligibility of a spouse or a dependant of a Peace Corps volunteer to also receive a permanent fund dividend.

Vice-Chair Stoltze asked about previous legislation related to this bill. Representative McGuire spoke in favor of Amendment 1.

Vice-Chair Stoltze WITHDREW his OBJECTION.

There being NO OBJECTION, Amendment 1 was adopted.

[9:33:22 AM](#)

Representative Croft WITHDREW Amendment 2 and stated that he would work with the sponsor on his ideas.

Representative Weyhrauch MOVED to ADOPT Amendment 3, which reads as follows:

Page 1, line 1, following "Act":  
Insert **"relating to voter registration and voting for purposes of eligibility for permanent fund dividends;"**

Page 1, following line 7:  
Insert a new bill section to read:

**"\* Section 1.** AS 43.23.005(a) is amended to read:  
(a) An individual is eligible to receive one permanent fund dividend each year in an amount to be determined under AS 43.23.025 if the individual  
(1) applies to the department;  
(2) is a state resident on the date of application;  
(3) was a state resident during the entire qualifying year;  
(4) has been physically present in the state for at least 72 consecutive hours at some time during the prior two years before the current dividend year;  
(5) is  
(A) a citizen of the United States;  
(B) an alien lawfully admitted for permanent residence in the United States;  
(C) an alien with refugee status under federal law; or  
(D) an alien that has been granted asylum under federal law;  
(6) was, at all times during the qualifying year, physically present in the state or, if absent, was absent only as allowed in AS 43.23.008; [AND]  
(7) was in compliance during the qualifying year with the military selective service registration requirements imposed under 50 U.S.C. App. 453 (Military Selective Service Act), if those requirements were applicable to the individual, or has come into compliance after being notified of the lack of compliance;**i**

(8) is registered to vote in state elections if the individual was qualified to register to vote in state elections during the qualifying year; and  
(9) voted in the most recent general election held before the current dividend year if the individual was qualified to vote in that general election."

Page 1, line 8:  
Delete "**Section 1**"  
Insert "**Sec. 2**"

Renumber the following bill sections accordingly.

Page 4, line 12:  
Delete "secs. 3 - 5"  
Insert "secs. 4 - 6"

Page 4, line 15:  
Delete "sec. 4"  
Insert "sec. 5"

Page 4, line 16:  
Delete "sec. 5"  
Insert "sec. 6"

Page 4, line 19:  
Delete "Section 6"  
Insert "Section 7"

Page 4, line 20:  
Delete "Sections 3 - 5"  
Insert "Sections 4 - 6"

Page 4, line 21:  
Delete "Sections 1 and 2"  
Insert "Sections 1 - 3"

Representative Weyhrauch explained that the intent of the amendment is to get citizens to have registered and voted in the last general election before receiving a permanent fund dividend.

Co-Chair Meyer OBJECTED. He spoke of a concern about putting a higher standard on Peace Corps workers than other citizens. Representative Weyhrauch replied that Amendment 3 would treat all people who apply for a permanent fund dividend equally. Co-Chair Meyer asked how it would apply to military personnel. Representative Weyhrauch explained that it would be the same; they would have to register and vote first.

[9:35:45 AM](#)

Representative Hawker applauded the intent of the amendment, however, he pointed out that many people do not vote because of religious reasons. He stated that he does not want to disenfranchise those people.

Representative Holm warned against unintended consequences of mandating voting requirements.

Representative Joule asked Representative McGuire if Amendment 3 would raise any constitutional issues. Representative McGuire opined that it would. She expressed that "as much as we want people to vote," there are First Amendment reasons why some people choose not to vote. She concurred with Representative Holm's warning against unintended consequences.

[9:38:49 AM](#)

Representative Croft related that he tried to draft a similar bill that would require a person to have voted in order to receive a dividend, but he could not get beyond the difficulties of religious exemption and a person's right not to vote. He expressed concern about forcing people to vote. He commented that he would rather see more informed voters and not more forced voters. He reported that he couldn't support Amendment 3.

Representative Weyhrauch summed up the issue of free choice and the right to vote or not to vote. He opined that it is not right to force a person to vote because voting is a privilege and not an obligation. He voiced concern that money is given out to those who are not physically or politically present in the state, and the list of abuses continues to grow. He summarized a concern that citizens have a fundamental obligation to participate in democracy and vote, and if they don't they should not be paid a permanent fund dividend check. The state should allow exempt Alaskans to collect a permanent fund dividend check only when they return to the state so that the state can receive the benefits of their presence in the state. He acknowledged that legal issues raised by the sponsor and the committee exist.

[9:44:43 AM](#)

Representative Kelly mentioned mechanical challenges raised by Amendment 3. He noted that he understands the spirit of the bill.

[9:46:10 AM](#)

SHARON BARTON, DIRECTOR, PERMANENT FUND DIVIDEND DIVISION, DEPARTMENT OF REVENUE, related that the Department of

Revenue would need a year to inform recipients of the changes caused by Amendment 3.

Representative Weyhrauch WITHDREW Amendment 3.

[9:47:31 AM](#)

Vice-Chair Stoltze MOVED to report CS HB 127 (FIN) out of Committee with individual recommendations and the accompanying fiscal note. There being NO OBJECTION, it was so ordered.

CSHB 127 (FIN) was REPORTED out of Committee as amended with a "do pass" recommendation and with accompanying zero fiscal note #1 by the Department of Revenue.

[9:48:54 AM](#)

HOUSE BILL NO. 75

"An Act relating to promoting and preserving sport hunting in the state."

REPRESENTATIVE MIKE KELLY, sponsor, explained that HB 75 is intended to clearly express the Legislature's protection of hunting as an integral part of Alaska's cultural heritage. This bill was brought to the sponsor by a constituent and is modeled after legislation considered by the Michigan, Minnesota, and Montana. Hunting, fishing, and trapping have always been a core component of our heritage and livelihood in Alaska. This bill creates greater clarity in directing the Commissioner of Fish and Game and the Board of Game to adopt regulations and enforce existing statutes in a manner consistent with protecting Alaskans' rights to utilize our fish and game resources.

Representative Kelly related that there was some concern about HB 75 negatively impacting bear viewing. He noted that he has spoken with Representative Seaton about this concern. It is the Attorney General's opinion and a legislative legal opinion that HB 75 does not limit the Commissioner's ability to rule on bear viewing, fishing, hunting, and trapping. He pointed out that the bill has the support of the Outdoor Council and the North American Bear Foundation, and broad support from around the state.

Vice-Chair Stoltze stated a potential conflict of interest because he is on the board of directors of the Outdoor Council, which has endorsed this bill.

[9:51:49 AM](#)

KEN DAY, HOMER, (via teleconference) stated opposition to HB 75. He opined that the Commissioner and the Board of Game

should promote all user groups, including the wildlife viewing industry. He maintained that the Board of Game ignored testimony from wildlife viewers, other conservation groups, elders, and biologists, and many other testifiers. He cited a National Park Service study and an Institute of Social and Economic Research (ISER) study that showed how important wildlife viewing is to the state. He suggested that HB 75 should go before the voters of Alaska.

Representative Hawker MOVED to ADOPT the proposed work draft for HB 75, version 24-LS0359\Y, Utermohle, 3/24/05.

Representative Joule OBJECTED for discussion purposes. He requested an explanation of the changes in the new CS.

9:56:38 AM

HEATH HILYARD, STAFF, REPRESENTATIVE KELLY, explained the differences in version Y. There is now legislative intent stating the ongoing commitment to constitutional provisions for common use and sustained yield principles. The intent is not to encroach upon wildlife viewing groups. Section 2 has been revised by placing the new language in the "Powers and duties of the commissioner" rather than in "Functions of the commissioner". The language "in conjunction with" was removed to allow for greater autonomy by the boards and the commissioner.

Representative Joule WITHDREW his OBJECTION. There being NO OBJECTION, version Y was adopted.

9:59:26 AM

CHRIS DAY, HOMER, (via teleconference) spoke in opposition to HB 75. As a commercial wildlife business operator, she stated concerns about the tightening of constrictions by the Board of Game. She suggested rewriting the bill to include viewing operations.

JENNY PURSELL, ALASKA WILDLIFE ALLIANCE, JUNEAU, acknowledged that the new changes in the bill have mitigated some concerns. One concern that remains is the exclusion of the non-consumer group in the bill. She maintained that the bill is unnecessary because language "common use and sustainable yield" are already noted in the state constitution. She asked the committee to consider adding wildlife-viewing groups.

10:04:24 AM

JOHN TOPPENBERG, DIRECTOR, ALASKA WILDLIFE ALLIANCE, ANCHORAGE, (via teleconference) raised concern that the bill is an attempt to bypass wildlife viewing groups, the non-consumptive viewers. He spoke in opposition to HB 75.

JENNIFER YUHAS, ALASKA OUTDOOR COUNCIL, FAIRBANKS, (via teleconference) expressed support for HB 75. She related that the public should have information about managing outdoor uses, and the Department of Fish and Game should be free to disclose that information. She maintained that previous testifiers are anti-hunting.

HB 75 was heard and HELD in Committee for further consideration.

ADJOURNMENT

The meeting was adjourned at 10:10 AM