

HOUSE FINANCE COMMITTEE
April 1, 2005
9:12 A.M.

CALL TO ORDER

Co-Chair Meyer called the House Finance Committee meeting to order at [9:12:25 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 Mike Kelly
Representative Carl Moses

MEMBERS ABSENT

Representative Reggie Joule
Representative Bruce Weyhrauch

ALSO PRESENT

Representative David Guttenberg; Representative Gabrielle LeDoux; Representative Kurt Olson; Sue Wright, Staff, Representative Mike Chenault; Pat Davidson, Legislative Auditor, Legislative Audit Division; Nico Bus, Acting Director, Division of Administrative Services, Department of Natural Resources

PRESENT VIA TELECONFERENCE

Duane Bannock, Director, Division of Motor Vehicles, Department of Administration, Anchorage; Rod Combellick, Acting Director, Division of Geological and Geophysical Surveys, Department of Natural Resources, Anchorage; Dr. Gary Carver, Geological Specialist, Kodiak; Dr. Peter Haeussler, US Geological Survey, Anchorage

SUMMARY

HB 83 An Act relating to the Alaska Seismic Hazards Safety Commission.

HB 83 was HEARD and HELD in Committee for further consideration.

HB 178 An Act relating to special motor vehicle registration plates; and providing for an effective date.

CS HB 178 (FIN) was reported out of Committee with a "do pass" recommendation and with a new fiscal note by the Department of Administration.

HB 185 An Act relating to immunization of postsecondary students for meningitis; and providing for an effective date.

CS HB 185 (FIN) was reported out of Committee with a "no recommendation" and with zero note #1 by the Alaska Commission on Post Secondary Education.

[9:12:58 AM](#)

#HB178

HOUSE BILL NO. 178

An Act relating to special motor vehicle registration plates; and providing for an effective date.

Representative Foster MOVED to report CS HB 178 (FIN) out of Committee with individual recommendations and with the accompanying fiscal note. There being NO OBJECTION, it was so ordered.

CS HB 178 (FIN) was reported out of Committee with a "do pass" recommendation and with a new fiscal note by the Department of Administration.

[9:14:00 AM](#)

#HB185

HOUSE BILL NO. 185

An Act relating to immunization of postsecondary students for meningitis; and providing for an effective date.

SUE WRIGHT, STAFF, REPRESENTATIVE MIKE CHENAULT, advised that the purpose of HB 185 was to remove postsecondary educational institutions from the applicability of the provisions of AS 14.48. It requires postsecondary educational institutions to provide information and receive a statement from the student having read the information on meningococcal disease prior to attending or living in student housing for the said institution. The Center for Disease Control strongly recommends immunizations for all students. The recommendation has been taken seriously to the point that many educational facilities will not admit students without immunizations.

Representative Holm asked if the legislation would have a public health component that would incur a cost to the State. Ms. Wright replied that at this point it does not but could in the future.

Representative Holm asked how many students would be immunized. Ms. Wright explained that the students would not necessarily be immunized. The students would be informed that the disease exists. She recalled a specific story in Unalaska, emphasizing the seriousness of the issue.

Vice-Chair Stoltze asked if there was movement to require immunization as a condition of enrollment. Ms. Wright responded that was not the long-term intent. The Center for Disease Control is currently recommending immunizations at this time and that it could become a requirement in the future.

Vice-Chair Stoltze inquired if that was the Sponsor's goal. Ms. Wright did not believe that was the goal but that she would want it for her child. Vice-Chair Stoltze noted that a similar situation had touched his family. He agreed that awareness and education are important for everyone.

Representative Kelly questioned the risks. He referenced the new section, Page 3, Line 4, Subsection (d) asking if it would challenge the State's liability. Ms. Wright advised that providers normally provide immunization and health care warnings and that the institution would not be responsible. She added that in response civil liability concerns, a lawyer can always figure out a way to sue. She did not know if the language would prevent or protect a lawsuit. She thought that it [the language] provides a comfort zone.

Representative Kelly warned about circumstances and situations that could result in lawsuits. Co-Chair Meyer noted that the bill had not gone to the House Judiciary Committee for legal scrutiny.

Co-Chair Chenault responded to Representative Stoltze that it was not his intent to require immunizations, but rather to inform students.

[9:23:53 AM](#)

Representative Kelly agreed with that and asked if it could be accomplished if Section (d) were removed. He worried that the language would make the State at risk for all diseases. Co-Chair Chenault agreed that such an issue could be raised. He knew that regardless of how well a job is done, there usually is room for liability concerns within the judicial system. He requested that attorney, Representative Croft address it.

[9:25:52 AM](#)

Representative Croft agreed with Representative Kelly. He thought that it would be a difficult lawsuit anyway to require someone to immunize. He thought that the language could be misread by the judiciary system and added that the bill would be safer without that language.

Representative Kelly MOVED to ADOPT Amendment #1 which would delete Section (d), Page 3, Lines 4-7. There being NO OBJECTION, it was adopted.

Representative Foster MOVED to report CS HB 185 (FIN) out of Committee with individual recommendations and with the accompanying fiscal note. There being NO OBJECTION, it was so ordered.

CS HB 185 (FIN) was reported out of Committee with a "no recommendation" and with zero note #1 by the Alaska Commission on Post Secondary Education.

[9:29:26 AM](#)

#HB83

HOUSE BILL NO. 83

An Act relating to the Alaska Seismic Hazards Safety Commission.

REPRESENTATIVE GABRIELLE LEDOUX, SPONSOR, commented that HB 83 would extend the termination date for the Alaska Seismic Hazards Safety Commission until June 30, 2010 and would add "tsunami" to all of the sections addressing the scope of the work of the Alaska Seismic Hazards Safety Commission.

Representative LeDoux continued, with more than 33,000 miles of shoreline, Alaska has been and could be devastated by earthquakes and tsunamis. Since about 1900, Alaska has had 80 magnitude 7 or larger earthquakes. Tsunamis could greatly affect the fishing industry in coastal Alaska as was evidenced in the 1964 Alaska earthquake, which impacted the coastal communities of Prince William Sound and caused immense damage recently to the fisheries and aquaculture sectors of the affected countries in the Indian Ocean.

Alaska accounts for more than half of all the earthquakes that occur in the U.S. and about ten percent of all earthquakes worldwide. One of the roles of a Seismic Hazards Safety Commission would be to provide a proactive resource for State and local government officials and Alaskan communities that want assistance in acquiring information and guidance necessary to help mitigate earthquake and tsunami hazards.

Representative LeDoux concluded that Alaska's population is growing and the State's infrastructure is developing. The Alaska Seismic Hazards Safety Commission could play a vital role in reducing earthquake related losses. The Alaska Seismic Hazards Safety Commission would be an invaluable asset in promoting the earthquake preparation essential to reducing earthquake threats and future losses to the State that, without effective mitigation measures, are inevitable.

REPRESENTATIVE DAVID GUTTENBERG, SPONSOR, pointed out that the Commission would have no authority. The Commission would be charged to do what is not currently being done in the State. He commented on the need to save lives. He addressed insurance concerns and that rates should be different. At this time, there are no individual units statewide to determine risk factors, and that would be the work of the Commission. He pointed out that local government members had been added to reflect local concerns. Alaska has the largest risk nationally and that the work of the Commission would be to determine how to address and prevent those risks.

[9:34:52 AM](#)

Co-Chair Meyer commented that in 2001, a Commission had been established. He noted that Governor Knowles did not appoint any members nor did Governor Murkowski, later. He asked why.

Representative Guttenberg responded that it "fell through the cracks". He thought that the Governor now would support the legislation.

Co-Chair Meyer pointed out that he had supported the Commission in 2001 and that he still supports it.

[9:35:51 AM](#)

Co-Chair Chenault inquired where the funding would come from. Representative LeDoux referenced the attached zero note. She added that Nico Bus from the Department of Natural Resources would address the fiscal aspect of the legislation.

Co-Chair Chenault reiterated concern regarding the fiscal impact.

[9:37:19 AM](#)

NICO BUS, ACTING DIRECTOR, DIVISION OF ADMINISTRATIVE SERVICES, DEPARTMENT OF NATURAL RESOURCES, explained that money had been transferred to the Department's base budget.

Co-Chair Chenault reiterated his fiscal concerns in creating a new commission. Mr. Bus replied that the estimated amount of money needed for the Commission would be approximately \$10 thousand dollars and would provide for the Commission meeting about four times a year, twice in person and twice by teleconference.

Representative Holm commented on a Department of Natural Resources resource fiscal analysis. He pointed out that in the last three years, there have been lapsed funds. He asked if the Department anticipated having \$28 thousand dollars lapsed in FY06.

Mr. Bus replied that the original amount appropriated in FY03 went to the Governor's Office. In FY04, the appropriation was transferred to Department of Natural Resources and they did not use that money. Some of it lapsed. He added that in the FY05 budget, the money exists and through different increases, some of those funds have been set aside for base operations. He emphasized that there are funds set aside for the Commission.

[9:39:56 AM](#)

Representative Holm questioned if there were extra dollars in the budget that had been indicated to go somewhere else. Mr. Bus stated that there should be enough money to fund the Commission project from other projects.

Representative Holm noted that he was disturbed by sources of financing being redirected. Mr. Bus reminded him that there is a zero fiscal note.

[9:41:35 AM](#)

Vice-Chair Stoltze inquired how the legislation would be interfaced with other statewide projects. Mr. Bus noted that Mr. Combellick was on line and could address the concern. He pointed out that there is significant federal funding at present time.

[9:43:16 AM](#)

ROD COMBELLICK, (TESTIFIED VIA TELECONFERENCE), ACTING DIRECTOR, DIVISION OF GEOLOGICAL AND GEOPHYSICAL SURVEYS, DEPARTMENT OF NATURAL RESOURCES, ANCHORAGE, commented on concerns voiced by Committee members. He pointed out other efforts happening in the State. There are quite a few efforts, which fulfill one aspect of hazard mitigation, identification and description of the hazards. He discussed that there are many more that need to be addressed through mitigation by taking the information and putting it to use to reduce hazard vulnerability. There are significant

statewide efforts happening in the area of preparedness and response.

Mr. Combellick suggested that there is a lot missing in the middle. There should be a unit to undertake measures to reduce vulnerability and in so doing, reduce need and recovery. He added that there are so many costs that result when disasters occur. The Commission will help coordinate all efforts.

[9:45:46 AM](#)

DR. GARY CARVER, (TESTIFIED VIA TELECONFERENCE), SIEMIC GEOLOGIST, KODIAK, reiterated that the Commission would take measures before earthquake or tsunami events occur that could reduce future losses. It would focus on pre-events to help endure the earthquakes that are certainly in Alaska's future. He pointed out that Alaska is the most seismic active State in the Union. More than half of all the earthquakes in the United States are in Alaska and that Alaska has 10% of all earthquakes worldwide.

[9:47:36 AM](#)

Dr. Carver continued by outlining seismic activity throughout the State. He pointed out that the most active earthquakes in Alaska are located in areas with heavy population density. He strongly urged that the Committee move the bill forward, as it would have large financial benefits to the State.

[9:50:01 AM](#)

DR. PETER HAEUSSLER, (TESTIFIED VIA TELECONFERENCE), U.S. GEOLOGICAL SURVEY (USGS), ANCHORAGE, testified in support of the Commission. He stated that USGS is the principle entity that does research on earthquake hazards in Alaska. He mentioned the impacts of the Alaska seismic safety hazards on the USGS.

Dr. Haeussler viewed the establishment of the Commission as a positive thing. The Commission would result in better information dissemination and cross-pollination. The Commission would create a forum for everyone involved statewide to share issues currently happening.

Dr. Haeussler stated that the Commission would establish research statewide and results in better coordination. He added that research information coming in from a statewide Commission would carry more weight than any single group. He concluded that research recommendations that a Commission should produce would have the potential to get more federal funding because of the Alaska's seismic location.

9:54:38 AM

Co-Chair Meyer recommended that the Department provide more fiscal information to the Committee. He stated that the bill would be held until the scheduled meeting on April 4th.

HB 83 was HELD in Committee for further consideration.
#

ADJOURNMENT

The meeting was adjourned at 9:56 A.M.