

HOUSE FINANCE COMMITTEE  
January 18, 2006  
2:00 P.M.

CALL TO ORDER

Co-Chair Chenault called the House Finance Committee meeting to order at [2:00:17 PM](#).

MEMBERS PRESENT

Representative Mike Chenault, Co-Chair  
Representative Richard Foster  
Representative Mike Hawker  
Representative Reggie Joule  
Representative Beth Kerttula  
Representative Bruce Weyhrauch

MEMBERS ABSENT

Representative Kevin Meyer, Co-Chair  
Representative Bill Stoltze, Vice-Chair  
Representative Jim Holm  
Representative Mike Kelly  
Representative Carl Moses

ALSO PRESENT

Craig Johnson, Staff, Representative Lesil McGuire; Heath Hilyard, Staff, Representative Tom Anderson; Vance Sanders, President, Alaska Legal Services Corporation, Juneau; Annette Kreitzer, Chief of Staff, Office of the Lieutenant Governor

PRESENT VIA TELECONFERENCE

Christine Pate, Alaska Network on Domestic Violence & Sexual Assault (ANDVSA), Sitka; Andy Harrington, Executive Director, Alaska Legal Services, Fairbanks; Diane Lorusson, Legal Counsel, Star Program, Anchorage; Whitney Brewster, Director, Division of Elections; Allen Bailey, Family Attorney, Anchorage; Jack Chenoweth, Assistant Reviser, Legislative Legal Counsel, Legislative Legal & Research Services, Juneau

SUMMARY

HB 175 An Act relating to the creation of a civil legal services fund.

CS HB 175 (JUD) was reported out of Committee with a "do pass" recommendation and with a new zero

note by the Department of Law and a new zero note by the Office of Management and Budget.

HJR 7 Proposing amendments to the Constitution of the State of Alaska to correct obsolete references to the office of secretary of state by substituting references to the office of lieutenant governor.

HJR 7 was reported out of Committee with "individual recommendations" and with a new note by the Office of the Lt. Governor.

#HB175

[2:02:10 PM](#)

HOUSE BILL NO. 175

An Act relating to the creation of a civil legal services fund.

CRAIG JOHNSON, STAFF, REPRESENTATIVE LESIL MCGUIRE, SPONSOR, noted that HB 175 was designed to provide a financial mechanism for the Legislature to make appropriations to organizations that provide civil legal services to low-income Alaskans. It would be accomplished through the creation of a civil legal services account funded by provisions required under AS 09.17.020(j). That section of Alaskan law requires that 50% of all punitive damage awards be turned over to the State and deposited into the General Fund.

HB 175 identifies an ongoing source of funding designed to aid Alaska Legal Services Corporation (ALSC) in efforts to provide civil legal assistance to low-income Alaskans. It is accomplished through use of the State's 50 shares of civil damage awards deposited into the General Fund. The legislation would not create a mandatory expenditure. Each legislature would possess an option to appropriate that money to a civil legal services fund.

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Representative Weyhrauch questioned the annual amount placed into the fund.

[2:04:05 PM](#)

VANCE SANDERS, PRESIDENT, ALASKA LEGAL SERVICES CORPORATION, JUNEAU, believed that last year, approximately \$400 thousand dollars was placed into the fund.

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ANDY HARRINGTON, (TESTIFIED VIA TELECONFERENCE), EXECUTIVE DIRECTOR, ALASKA LEGAL SERVICES CORPORATION, FAIRBANKS,

reiterated it had been a little over \$400 thousand dollars in FY05.

Mr. Sanders offered to answer questions of the Committee. He urged support for the bill, emphasizing that the support would be "very helpful" to that clientele, Legal Services represents.

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Co-Chair Chenault understood that last year, there had been no funding. He inquired how punitive damages work. Mr. Sanders understood that money would be redistributed through the General Fund.

Co-Chair Chenault clarified, it would be General Fund monies, appropriated to establish that fund.

[2:06:48 PM](#)

Mr. Sanders commented that the amount distributed is not predictable; the Court's have indicated that the punitive damages portion of statute is constitutional.

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CHRISTINE PATE, (TESTIFIED VIA TELECONFERENCE), ALASKA NETWORK ON DOMESTIC VIOLENCE & SEXUAL ASSAULT (ANDVSA), SITKA, spoke in favor of HB 175, discussing the importance of such legislation. She pointed out the dramatic cuts to legal services during the past couple years, with the continued increased need. She maintained that providing civil legal services to domestic violence victims is the most effective way in protecting future safety for their lives. Ms. Pate revisited life and death issues the victims experience, stressing the critical component of bringing safety to indignant Alaskans.

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Representative Kerttula thanked Ms. Pate for the work she does with domestic violence victims. She inquired the number of phone calls per day received by the Sitka hotline. Ms. Pate commented that the hotline has continued through those cuts and is staffed by volunteers; it averages between 4 to 7 calls in each two-hour span and is available three times per month.

[2:11:02 PM](#)

DIANE LORUSSO, (TESTIFIED VIA TELECONFERENCE), LEGAL ADVOCACY DIRECTOR, STAR PROGRAM, ANCHORAGE, stated that she has worked with victims of domestic violence for many years. She voiced strong support for the legislation. Ms. Lorusso

pointed out that Alaska continues to lead the Nation in domestic violence and sexual assault crimes. She urged support for HB 175.

[2:12:35 PM](#)

ALLEN BAILEY, (TESTIFIED VIA TELECONFERENCE), FAMILY LAWYER, ANCHORAGE, acknowledged a serious statewide need for the legislation. He suggested that the only item that reduces domestic violence for a given victim is the availability of civil legal services to that person. He pointed out that most abuse victims are women and children and are unable to pay for those type services. The bill provides a way of providing funding for legal services to families that need it in a profound way.

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Representative Hawker noted the new zero notes. He MOVED that the notes from Department of Law and the Office of Management and Budget be adopted. There being NO OBJECTION, they were adopted.

Representative Foster MOVED to report CS HB 175 (JUD) out of Committee with individual recommendations & with the accompanying zero notes. There being NO OBJECTION, it was so ordered.

CS HB 175 (JUD) was reported out of Committee with a "do pass" recommendation and with new zero fiscal notes by the Department of Law and the Office of Management and Budget (OMB).

#HJR7

[2:16:39 PM](#)

HOUSE JOINT RESOLUTION NO. 7

Proposing amendments to the Constitution of the State of Alaska to correct obsolete references to the office of secretary of state by substituting references to the office of lieutenant governor.

Representative Hawker MOVED to ADOPT bill 24-LS0340\A as the version of the bill before the Committee. Representative Weyhrauch OBJECTED, to ask what happened to the House Judiciary version.

HEATH HILYARD, STAFF, REPRESENTATIVE TOM ANDERSON, SPONSOR, advised that the sponsor requested that the Committee revert back to the original document, HJR 7, version \A.

Representative Weyhrauch WITHDREW his OBJECTION. There being NO further OBJECTIONS, the "A" version was before the Committee.

[2:17:54 PM](#)

Mr. Hilyard explained that in 1970, the Legislature proposed and the voters approved a series of amendments to the State Constitution that changed the name from the office of "Secretary of State" to the office of "Lieutenant Governor". At that time, the drafting attorneys did not catch all the references to "Secretary of State".

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Representative Weyhrauch asked why the House Judiciary Committee version was not being considered. Mr. Hilyard explained that in discussions with the Legislative Legal drafter, Jack Chenoweth, it was determined that the gender-neutral language did not fit with the subject of the title. In addition, there was concern, it might require a second constitutional amendment to make all language gender-neutral throughout the Constitution. It became a concern that the amendment made in the House Judiciary Committee would not be appropriate.

[2:19:34 PM](#)

Representative Weyhrauch asked if the mistake was just discovered. Mr. Hilyard understood it resulted when the reviser, Jack Chenoweth, discussed what could result. He commented that folks were aware of it for sometime, but had never addressed it.

[2:20:20 PM](#)

Representative Kerttula did not understand how it could be considered outside the title with the obsolete references.

[2:20:47 PM](#)

ANNETTE KREITZER, CHIEF OF STAFF, OFFICE OF THE LIEUTENANT GOVERNOR, noted that she could "not shed light" on which version should be used. She offered to answer Committee questions regarding the fiscal note.

[2:21:08 PM](#)

Representative Kerttula reiterated concerns why changing the language to gender-neutral would create problems.

[2:21:22 PM](#)

Mr. Hilyard understood that those gender-neutral references were not referring properly to the Lt. Governor, but rather the legislator or the principal head of the department, as opposed to references of the Office of the Secretary of State. He thought the language might require a second constitutional amendment to correct all gender references.

[2:22:08 PM](#)

Representative Hawker stressed that constitutional amendments are a "big deal". The original reference was overlooked. He offered that placing a constitutional amendment before the people to correct a typographical error might not rise to the proper degree of importance. He asked the consequences of not doing it.

Mr. Hilyard pointed out it is a constitutional concern and of significant importance. The legislators will have come to that conclusion and thought the determination could be reflected in each legislators vote.

[2:23:49 PM](#)

Representative Hawker asked if the Lt. Governor's office had a position on correcting a typographical error and making it rise to sufficient import to put on the election ballot.

[2:24:11 PM](#)

Ms. Kreitzer responded that would be a policy question; to date, their office had not been consulted regarding that issue. She did not know which version, noting that during printing, there have been minor changes made to specific words and punctuation. That list of corrections was made available to the Legislative Affairs Agency and had been corrected on line. The State Constitution has been around for over 30 years. She did not think it would cause harm, but could cause confusion to those outside Alaska.

[2:26:08 PM](#)

Representative Hawker pointed out that the 2001 version before the Committee was not an accurate copy of the State's Constitution. Ms. Kreitzer acknowledged that was correct. Representative Hawker was appalled.

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Representative Hawker questioned if it was legally correct as amended. Ms. Kreitzer replied that it was and that the version before the Committee contained references to the Secretary of State rather than the Lt. Governor.

[2:27:30 PM](#)

Representative Weyhrauch questioned if the issue should be "nit picked". He thought it was an organic and important document and worried about amending it. Co-Chair Chenault interjected his thoughts that the only time that document should be changed is when the people of the State indicate it should be.

[2:28:30 PM](#)

JACK CHENOWETH, (TESTIFIED VIA TELECONFERENCE), ASSISTANT REVISOR, LEGISLATIVE LEGAL COUNSEL, LEGISLATIVE LEGAL & RESEARCH SERVICES, JUNEAU, agreed with what Ms. Kreitzer had said and offered to answer any further questions of the Committee.

[2:28:48 PM](#)

Representative Kerttula reiterated concerns with the lack of the gender-neutral language. She pointed out that "legislator" was in the title and that the title could be changed. She noted that it does refer to the Lt. Governor as a "he". Representative Kerttula asked what it would take to make the Alaska Constitution gender-neutral.

Mr. Chenoweth thought that it would be a much broader bill to make the language gender neutral. Legislators proposing a change and then the people voting on that change make the process of amending the Constitution. It would be a long exercise and constitutional amendment to make the change.

[2:30:20 PM](#)

Representative Hawker agreed that "fixes" should be made. He noted that he always believed that "Secretary of State" was the appropriate designation as opposed to Lt. Governor.

[2:31:50 PM](#)

Mr. Hilyard explained that the sponsor had not considered that. He thought could be a debate that the legislature should have at a later date. Mr. Hilyard suggested that the concern is a broad policy issue.

[2:32:31 PM](#)

Ms. Kreitzer thought that the Lt. Governor would enjoy and appreciate such a discussion.

[2:33:06 PM](#)

Representative Weyhrauch inquired who was the Lt. Governor's designee.

[2:33:15 PM](#)

Mr. Chenoweth informed members that Bill Corbus, Commissioner, Department of Revenue, was the Lt. Governor's designee.

[2:33:41 PM](#)

Representative Hawker referenced the updated fiscal note and moved to adopt it. There being no objection, it was adopted.

WHITNEY BREWSTER, (TESTIFIED VIA TELECONFERENCE), DIRECTOR, DIVISION OF ELECTIONS, offered to answer any questions regarding the fiscal note.

[2:35:03 PM](#)

Co-Chair Chenault asked if \$1500 dollars would cover the costs. Ms. Brewster noted that if there was a need to increase the ballot size, costs could increase up to \$22,000 dollars.

Co-Chair Chenault asked when the real number would be known. Ms. Brewster responded that it would be clearer by the end of the legislative session as to how many constitutional amendments would be shown on the general election ballot. Currently, there are two possible initiatives on that ballot.

[2:36:08 PM](#)

Ms. Brewster added that it was unlikely that the State would need to move to a larger sized note based on previous years experience.

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Representative Foster MOVED to REPORT HJR 7 out of Committee with individual recommendations and with the accompanying new fiscal note.

Representative Kerttula clarified that she did not object but noted for the record that the legislature should consider an insertion of gender-neutral language throughout the Alaska Constitution. There being NO OBJECTION to the original motion, it was so ordered.

HJR 7 was reported out Committee with "individual recommendations" and with a fiscal note by the Office of the Lieutenant (LT) Governor.

#

ADJOURNMENT

The meeting was adjourned at 2:37 P.M.