

ALASKA STATE LEGISLATURE
HOUSE SPECIAL COMMITTEE ON MILITARY AND VETERANS' AFFAIRS

April 14, 2005

1:08 p.m.

MEMBERS PRESENT

Representative Bob Lynn, Chair
Representative Nancy Dahlstrom
Representative Jim Elkins
Representative Bill Thomas
Representative Max Gruenberg
Representative Sharon Cissna

MEMBERS ABSENT

Representative Lesil McGuire

COMMITTEE CALENDAR

HOUSE BILL NO. 245

"An Act relating to registration and license plate fees for Purple Heart recipients, prisoners of war, Congressional Medal of Honor recipients, and spouses of current prisoners of war."

- MOVED CSHB 245(MLV) OUT OF COMMITTEE

HOUSE BILL NO. 212

"An Act relating to exemptions from municipal property taxes for certain primary residences; and providing for an effective date."

- BILL HEARING POSTPONED

PREVIOUS COMMITTEE ACTION

BILL: HB 245

SHORT TITLE: VETERANS' & POW'S VEHICLE FEES/TAXES

SPONSOR(S): MILITARY & VETERANS' AFFAIRS

04/01/05	(H)	READ THE FIRST TIME - REFERRALS
04/01/05	(H)	MLV, FIN
04/07/05	(H)	MLV AT 1:00 PM CAPITOL 124
04/07/05	(H)	<Bill Hearing Postponed>
04/14/05	(H)	MLV AT 1:00 PM CAPITOL 124

WITNESS REGISTER

DUANE BANNOCK, Director
Division of Motor Vehicles
Department of Administration
Anchorage, Alaska

POSITION STATEMENT: Offered explanation of the fiscal note for HB 245 as well as suggested changes to the legislation.

NANCY MANLY, Staff
to Representative Lynn
House Special Committee on Military and Veterans' Affairs
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Provided information regarding discussions with Legislative Legal and Research Services regarding HB 245.

BENNO CLEVELAND, President
Alaska Native Veterans' Association;
Commander, Military Order of Purple Hearts - Chapter 675
Fairbanks, Alaska

POSITION STATEMENT: Testified in support of HB 245.

ACTION NARRATIVE

CHAIR BOB LYNN called the House Special Committee on Military and Veterans' Affairs meeting to order at [1:11:05 PM](#). Representatives Lynn, Dahlstrom, Elkins, Thomas, and Gruenberg were present at the call to order. Representative Cissna arrived as the meeting was in progress.

HB 245-VETERANS' & POW'S VEHICLE FEES/TAXES

CHAIR LYNN announced that the only order of business would be HOUSE BILL NO. 245, "An Act relating to registration and license plate fees for Purple Heart recipients, prisoners of war, Congressional Medal of Honor recipients, and spouses of current prisoners of war."

[1:12:31 PM](#)

REPRESENTATIVE GRUENBERG explained that HB 245 was originally offered to allow Purple Heart recipients to receive special license plates without paying the \$30 special license plate fee. However, the legislation has been expanded to include prisoners of war and their spouses as well as Congressional Medal of Honor recipients. He further explained that these individuals would receive one noncommercial motor vehicle special license plate.

He noted that the director of the Division of Veterans' Affairs is designated to determine the design and color of the Congressional Medal of Honor license plates.

1:15:28 PM

REPRESENTATIVE GRUENBERG moved to adopt CSHB 245, Version 24-LS0604\F, Luckhaupt, 4/13/05, as the working document. There being no objection, Version F was before the committee.

1:15:49 PM

DUANE BANNOCK, Director, Division of Motor Vehicles, Department of Administration, noted that the division has reviewed HB 245 and has attached a relatively small fiscal note. Mr. Bannock related that conceptually the division is in support of this legislation. However, the new language in Section 3 of Version F is inconsistent with the language in Section 1, which specifically provides free vehicle registration along with [a free] special license plate.

CHAIR LYNN announced that the committee would address that later in the hearing.

1:17:53 PM

CHAIR LYNN turned attention to the fiscal note and related his understanding that there would be a cost to design the Congressional Medal of Honor license plate, which would be about \$250, which is included in the fiscal note.

MR. BANNOCK confirmed that, adding that \$250 to \$300 will take a license plate from design to production, but won't obtain the design of the plate. Section 2, he pointed out, specifies that the design and the color will be done in conjunction with the Division of Veterans' Affairs. The aforementioned has been done in the past with other organizations.

CHAIR LYNN said that at this time he didn't know of any Congressional Medal of Honor recipient who lives in Alaska. Furthermore, he said that he couldn't imagine there will ever be more than a few living in the state at any given time.

1:19:42 PM

MR. BANNOCK agreed, and highlighted that's largely why the fiscal note is so small.

REPRESENTATIVE GRUENBERG asked then if Mr. Bannock would have an objection to changing the fiscal note to eliminate the contractual provision since there are no Congressional Medal of Honor recipients in Alaska.

MR. BANNOCK pointed out that the fiscal note attached to the legislation is for \$500, which includes the prisoners of war section as well.

[1:21:01 PM](#)

REPRESENTATIVE ELKINS asked if there are any spouses of these individuals living in Alaska, and said that he would want to be sure of that before changing the fiscal note.

[1:21:49 PM](#)

MR. BANNOCK pointed out that the fiscal note addresses several functions. The one-time \$5,000 contractual fee is intended to go to the division [for the work required to offer this]. Furthermore, the division is working hard to make this as automated [a process] as possible. Because of the projected use of the new plate being so small, Mr. Bannock felt comfortable [with this small fiscal note]. He explained that the change in revenues in the amount of negative \$2,000 comes from the division's projection that 50 Purple Heart license plates would've paid \$30 per license plate and a projected five current prisoners of war or Congressional Medal of Honor recipients and their spouses would take advantage of this special license plate.

REPRESENTATIVE GRUENBERG asked if Mr. Bannock had any suggested changes.

[1:25:15 PM](#)

MR. BANNOCK suggested that if Section 3 was eliminated entirely, the division would, by prior design, have a Congressional Medal of Honor license plate that would be provided at no extra cost and individuals obtaining such license plates would have no charge for their vehicle registration. The aforementioned is how the license plates were handled for Pearl Harbor survivors and former prisoners of war. While there is no specific statutory provision for the creation of a Pearl Harbor license plate, the division has that plate in inventory. Therefore, by

adding Congressional Medal of Honor to Section 1, it would seem to achieve what the committee desires.

[1:26:23 PM](#)

MR. BANNOCK, in agreeing with Representative Gruenberg, confirmed that he merely wanted to eliminate the change on page 2, line 15, but leave the change on page 2, line 12.

REPRESENTATIVE GRUENBERG moved that the committee adopt Amendment 1, as follows:

Page 2, line 15:
Delete all material

CHAIR LYNN objected for purposes of discussion.

REPRESENTATIVE ELKINS informed the committee that he and Representative Thomas will have to leave shortly to attend another meeting.

CHAIR LYNN removed his objection. There being no further objection, Amendment 1 was adopted.

REPRESENTATIVE GRUENBERG asked if Mr. Bannock wanted to have statutory authorization to manufacture prisoner of war, Congressional Medal of Honor, and Pearl Harbor plates. If so, Representative Gruenberg offered to propose a conceptual amendment to do so.

MR. BANNOCK suggested inserting "or Congressional Medal of Honor" at the beginning of line 14 because he believed that would provide the division the statutory authority to create the plates.

REPRESENTATIVE GRUENBERG surmised then that the division would be able to sell those plates to the spouses of prisoners of war.

MR. BANNOCK said that would be correct under the language in Section 1.

CHAIR LYNN informed the committee that committee staff has been in contact with Legislative Legal and Research Services, which would rather have such a change done conceptually.

REPRESENTATIVE GRUENBERG moved that the committee adopt Conceptual Amendment 2, as follows:

Page 1, line 13, following "Pearl Harbor":

Insert "Congressional Medal of Honor, prisoner of war"

MR. BANNOCK pointed out that the aforementioned almost renders Section 2 moot.

1:29:18 PM

NANCY MANLY, Staff to Representative Lynn, House Special Committee on Military and Veterans' Affairs, Alaska State Legislature, related that the drafting attorney, Jerry Luckhaupt, said that if the committee wanted the Congressional Medal of Honor recipients to have free registration, then he preferred it to be conceptual and not specifically in Section 1.

REPRESENTATIVE GRUENBERG then amended Conceptual Amendment 2 such that [Congressional Medal of Honor recipients receive free registration and that the drafting attorney insert this where best suited in the legislation].

There being no objection, Conceptual Amendment 2, as amended, was adopted.

REPRESENTATIVE DAHLSTROM moved to report CSHB 245, Version 24-LS0604\F, Luckhaupt, 4/13/05, as amended, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 245(MLV) was reported from the House Special Committee on Military and Veterans' Affairs.

1:30:50 PM

BENNO CLEVELAND, President, Alaska Native Veterans' Association; Commander, Military Order of Purple Hearts - Chapter 675, began by noting his support for HB 245. He remarked that there are a lot of veterans in the state. Mr. Cleveland opined that this license plat may help with the healing process that some need to go through. Passage of this legislation will be a good way for the state to honor those who have received the Purple Heart.

CHAIR LYNN thanked Mr. Cleveland for his service.

REPRESENTATIVE DAHLSTROM also thanked Mr. Cleveland for his service, and added that this legislation is a small token to honor those who have served this nation.

CHAIR LYNN invited committee members to review the resumes of the Congressional Medal of Honor recipients. He then suggested that at some point the committee may want to consider doing something for Vietnam veterans.

[CSHB 245(MLV) was reported out of committee.]

CHAIR LYNN asked if the subcommittee [on HB 168] had met.

REPRESENTATIVE DAHLSTROM said no, but assured the committee that it will meet prior to the next meeting of the committee as a whole.

REPRESENTATIVE GRUENBERG noted that there have been discussions with the administration and the drafters.

ADJOURNMENT

There being no further business before the committee, the House Special Committee on Military and Veterans' Affairs meeting was adjourned at [1:35:05 PM](#).