

**ALASKA STATE LEGISLATURE**  
**HOUSE COMMUNITY AND REGIONAL AFFAIRS STANDING COMMITTEE**

March 6, 2008  
9:08 a.m.

**MEMBERS PRESENT**

Representative Gabrielle LeDoux, Co-Chair  
Representative Nancy Dahlstrom  
Representative Mark Neuman  
Representative Sharon Cissna

**MEMBERS ABSENT**

Representative Anna Fairclough, Co-Chair  
Representative Kurt Olson  
Representative Woodie Salmon

**COMMITTEE CALENDAR**

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 387  
"An Act limiting the number of published telephone directories  
that may be distributed to a household."

- HEARD AND HELD

**PREVIOUS COMMITTEE ACTION**

BILL: SSHB 387

SHORT TITLE: DISTRIBUTION OF TELEPHONE BOOKS

SPONSOR(S): REPRESENTATIVE(S) GARDNER

02/19/08	(H)	READ THE FIRST TIME - REFERRALS
02/19/08	(H)	CRA, L&C
02/27/08	(H)	SPONSOR SUBSTITUTE INTRODUCED
02/27/08	(H)	READ THE FIRST TIME - REFERRALS
02/27/08	(H)	CRA, L&C
03/06/08	(H)	CRA AT 9:00 AM BARNES 124

**WITNESS REGISTER**

JIM ISTURIS, Intern  
Representative Berta Gardner  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Presented SSHB 387 on behalf of the  
sponsor, Representative Gardner.

BARBARA WINKLEY

Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of SSHB 387.

MIKAYLA SAITO

Alaska Center for the Environment

Anchorage, Alaska

**POSITION STATEMENT:** Encouraged passage of SSHB 387.

RICHARD GAZAWAY, Administrative Law Judge

Regulatory Commission of Alaska (RCA)

Anchorage, Alaska

**POSITION STATEMENT:** Discussed the RCA's perspective regarding SSHB 387.

#### **ACTION NARRATIVE**

**CO-CHAIR GABRIELLE LEDOUX** called the House Community and Regional Affairs Standing Committee meeting to order at [9:08:06 AM](#). Representatives LeDoux, Dahlstrom, Neuman, and Cissna were present at the call to order.

#### HB 387-DISTRIBUTION OF TELEPHONE BOOKS

[9:08:31 AM](#)

CO-CHAIR LEDOUX announced that the only order of business would be SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 387, "An Act limiting the number of published telephone directories that may be distributed to a household."

[9:08:59 AM](#)

JIM ISTURIS, Intern, Representative Berta Gardner, Alaska State Legislature, explained that SSHB 387 would limit distributors, publishers, and utilities to leave only one telephone book on a door step, unless a member of the household requests otherwise. The goals of SSHB 387 are to reduce consumers' need to deal with these excess telephone books and waste and to also reduce the stress that is being placed on recycling centers and landfills. Currently, telephone utilities and directory distributors distribute one telephone book per telephone line, and therefore homes with multiple telephone lines will receive more than one copy of the exact same book. There is no intent to hinder utilities and distributors from advertising and utilities and

distributors will still be able to deliver their directory to each home, he pointed out. Mr. Isturis related that prior to introduction of SSHB 387, Representative Gardner received an e-mail from an Alaskan describing how she received 17 books, in some cases 3 of the exact same book. He opined that SSHB 387 will reduce the burden on consumers, recycling centers, and landfills. He related that the Anchorage recycling center received about 252 tons of telephone books in one year. Since telephone books are more difficult to recycle compared to other paper products, passage of this bill would help to reduce the amount of books that need to be processed [at recycle centers] every year. Furthermore, because telephone books are of a more compact type of paper, they don't degrade as easily because all paper needs to be mulched if it's even going to biodegrade. In fact, in landfills telephone books are often stacked on top of each other, and generally don't decompose at all.

MR. ISTURIS opined that while the hope is that SSHB 387 will change the behavior of telephone utilities and directory distributors, it doesn't attach any penalty in order to avoid a situation in which people gather up multiple books and claim that a company left all of them on their door step. He related that the sponsor has been in touch with Assistant Attorney General Ed Sniffen to develop a penalty that would work well with SSHB 387. However, due to time constraints, the legislation lacks this aspect. Still, Representative Gardner is open to suggestions from the committee regarding a penalty of some sort, he noted. If SSHB 387 passes without a penalty or a fine, the sponsor hopes that the utilities will consider taking on what SSHB 387 asks. He then related that Representative Gardner has received many e-mails in support of SSHB 387. In conclusion, Mr. Isturis encouraged the committee to support SSHB 387, as many Alaskans have.

[9:13:45 AM](#)

CO-CHAIR LEDOUX inquired as to the constitutionality of SSHB 387 as a limit of free speech.

MR. ISTURIS said that he hasn't spoken specifically with Mr. Sniffen on that matter as he has been mostly in contact with the drafter of the legislation. The drafter has determined that there is no conflict [with free speech] because the telephone books are still being distributed to each home. Furthermore, in other states, the problem has been with opt-in and opt-out directory services and serious constitutionality questions have arisen. The sponsor believes that SSHB 387 is a simplified

version that doesn't hinder free speech or the free market. In further response to Co-Chair LeDoux, Mr. Isturis said that no one is present to testify with regard to the constitutionality of the legislation, but he offered to have the drafter come before the committee if it has serious doubts about the constitutionality.

[9:15:36 AM](#)

CO-CHAIR LEDOUX asked if the utilities have refused to only give individuals one telephone book when they have called and requested only receiving one.

MR. ISTURIS said he hasn't asked the utilities about such a practice. However, he related his understanding that GCI already attempts to provide one telephone book per household. With regard to telephone directories, the sponsor hasn't received many complaints. Furthermore, he said he wasn't sure whether the advertising books not affiliated with any telephone utility have an opt-in or opt-out program.

[9:16:46 AM](#)

REPRESENTATIVE DAHLSTROM related her understanding that there is an added expense to the landfills due to the different recycling process for telephone books.

MR. ISTURIS explained that because the paper used in telephone books and directories is of a lower grade and because of the bulk in which many are delivered, prewrapped pallets of telephone books and directories, it's more difficult to recycle. However, he said he wasn't aware of the cost.

REPRESENTATIVE DAHLSTROM asked if the sponsor has considered having conversations with the landfills regarding the possibility of the companies having a repository for unwanted books, and thus the companies would face the expense.

MR. ISTURIS related his understanding that the landfills have some recycling bins. Furthermore, many of the companies already gather [unwanted] books and send them to recycling centers.

REPRESENTATIVE DAHLSTROM expressed concern with regard to the [fiscal note] analysis that pertains to the Regulatory Commission of Alaska (RCA). She recalled her recent participation in a RCA meeting at which it was brought forward that the RCA is having difficulty retaining and recruiting

folks. Furthermore, it's been stated on record that the existing resources of the RCA don't allow them to perform what's mandated by law. Although the sponsor's intent is good, Representative Dahlstrom questioned whether this is something state government should regulate.

9:21:42 AM

REPRESENTATIVE CISSNA related that she has heard frustration from her constituents regarding what's left on their doorstep, particularly when a homeowner is gone for the weekend or an extended period. Therefore, Representative Cissna said she saw enormous value in trying to cut down on what homeowners don't request. Although Anchorage's landfill is state of the art, she related that she has heard that it's filling faster than anticipated. She then expressed interest in hearing from more people. In terms of free speech, she opined that since [the companies] have the opportunity to provide one telephone directory, it doesn't limit speech.

9:26:24 AM

REPRESENTATIVE NEUMAN, referring to the likelihood that companies preorder and thus have an expenditure, asked if SSHB 387 has an effective date.

MR. ISTURIS said that the sponsor would be willing to consider an effective date. He related his understanding that generally each region has a certain time during which the telephone books are distributed and the sponsor is willing to take that into consideration and perhaps work toward whenever the cycle begins.

9:27:42 AM

REPRESENTATIVE NEUMAN inquired as to the discussions the sponsor and her staff have had with the utility companies. He informed the committee that his staff called the Matanuska Telephone Association (MTA) and other companies [in the Mat-Su Valley], which say they only send one telephone book per household because it costs a considerable amount of money to publish a telephone book.

MR. ISTURIS answered that he is aware that there are companies that have been trying to provide only one telephone book per household. This legislation isn't aimed at those companies. In further response to Representative Neuman, Mr. Isturis related that the sponsor has been in contact with ACS and GCI. He

related his further understanding that GCI has taken steps to only provide one telephone book per household.

REPRESENTATIVE NEUMAN surmised then that some of the companies are trying to mitigate the issue.

MR. ISTURIS replied yes. However, he said he wasn't sure which companies are still in the process or haven't taken the matter up completely.

REPRESENTATIVE NEUMAN commented that he has found that once people or organizations are contacted, they are often fairly receptive to helping as much as possible.

MR. ISTURIS said that he isn't sure which companies have undertaken [placing only one telephone book per household]. He then reiterated that the sponsor has contacted ACS and GCI.

REPRESENTATIVE NEUMAN posed the suggestion of requiring that the telephone books be shredded prior to the depository. He further suggested that the shredded telephone books could be utilized as packing materials. The aforementioned would seem to be an economic development opportunity. He, too, expressed concern with regard to free speech and questioned at what point should the state inject itself into the discussion.

MR. ISTURIS noted that the sponsor has reviewed some of the alternatives to using telephone books. He related his understanding that of the telephone books produced are actually 90 percent telephone books. With regard to state involvement, Mr. Isturis noted that Mr. Sniffen, assistant attorney general, suggested discussing with the Department of Environmental Conservation (DEC) or U.S. Environmental Protection Agency (EPA) whether it would be able to enforce an attached penalty. States with opt-in or opt-out approaches passed legislation that require companies to maintain lists of those who do or don't want to receive a telephone book. The opt-out approach has been viewed as a little less restrictive than the opt-in approach, which requires individuals to call in and specify which telephone books they want. He related his understanding that SSHB 387 is a unique piece of legislation.

[9:37:04 AM](#)

REPRESENTATIVE NEUMAN said that he supports the concept of SSHB 387. However, he questioned the most practical way to achieve

the goal and thus he requested hearing from the telephone companies regarding the options that they offer.

MR. ISTURIS clarified that earlier he was referring to the legislation in other states that doesn't seem to work well. If companies can institute [the opt-in or opt-out approaches] well, he said he assumes the process would go well. In further response to Representative Neuman, Mr. Isturis confirmed that [a penalty] would likely fit better within DEC than RCA. He said it would be partly regulation and partly statute.

REPRESENTATIVE NEUMAN remarked that perhaps [telephone books] could be compressed into pellets for heating.

[9:39:04 AM](#)

CO-CHAIR LEDOUX related that she has five telephones in her house and would like to have a telephone book next to each telephone. She further related that in Kodiak she's experienced not receiving enough telephone books and having to obtain more, which isn't a big deal in Kodiak. However, it seems to be more difficult to obtain extra telephone books in Anchorage. Co-Chair LeDoux expressed concerned that with the passage of SSHB 387, the onus would be on the consumer to obtain more telephone books.

MR. ISTURIS indicated that the language [in Section 4(h)] that reads "Unless otherwise requested by a member of the household" should address Co-Chair LeDoux's concern regarding consumers who want more than one telephone book. The individual companies could determine the best manner in which to implement [distributing the extra telephone books]. He indicated the possibility of a mail out that requested the consumer check whether he/she wanted more telephone books or a telephone call requesting the delivery of more telephone books.

CO-CHAIR LEDOUX remarked that under either scenario, the onus is placed on someone, whether that be the telephone company or the consumer. She then expressed concern with regard to how consumers would know how many telephone books to expect.

MR. ISTURIS suggested that perhaps informing the public of the legislation could be tied into the effective date of SSHB 387.

[9:42:18 AM](#)

REPRESENTATIVE CISSNA offered that the telephone bill could have a spot that allows the consumer to specify how many telephone books are desired beyond what will automatically be provided. She noted that her constituents have complained about the amount of telephone books they received. Representative Cissna pointed out that there hasn't been any decent legislation that provided an incentive to small businesses to utilize materials, such as telephone books, that are being discarded. She inquired as to the legal issues regarding the opt-in and opt-out directories.

MR. ISTURIS said that the opt-in opt-out directories become more of a question of businesses advertising. Generally, people are against the opt-in opt-out directory because of the belief that it's a disservice to small businesses that advertise in telephone books. The message with SSHB 387 is that the message and advertising is available, the question is in regard to how many are required to get the message out.

[9:47:14 AM](#)

REPRESENTATIVE DAHLSTROM, regarding leaving the telephone books on a doorstep, questioned whether this legislation could also regulate whether UPS can leave a package on a doorstep. She related that it would likely create a huge problem to regulate such. She then referred to an e-mail in the committee packet that refers to an individual who received five telephone books. She pointed out that there's no law with regard to the amount of companies that can be created to provide telephone books and that would continue even with passage of this legislation. She questioned the cost savings to the landfills versus the cost to the state to regulate and determine a telephone utility that doesn't gross \$50,000 annually or \$500,000 annually. Representative Neuman's suggestions were good and timely, she opined. In fact, she encouraged the sponsor to rewrite the legislation and address ways in which to create an economic opportunity with discarded telephone books. Although the intent of SSHB 387 is good, it's unconstitutional and not the state's business to regulate it, she opined.

[9:50:46 AM](#)

BARBARA WINKLEY testified in support of SSHB 387. She related that most of the [discarded] telephone books aren't recycled but rather end up in the Anchorage landfill. In the interest in saving energy and conserving paper, Ms. Winkley urged passage of SSHB 387.

[9:53:02 AM](#)

MIKAYLA SAITO, Alaska Center for the Environment, began by relating that she is testifying on behalf of over 6,000 members of the Alaska Center for the Environment (ACE). The ACE supports SSHB 387, which would limit the number of telephone directories the utility is allowed to distribute while providing households the discretion to request additional copies. This legislation isn't an opportunity to opt-out of receiving a telephone book from a utility, but rather helps to manage the hassle and waste created by duplicate directories. Additionally, the legislation evens out the playing field across utility companies. In 2007 alone, 252 tons of telephone books were recycled. However, that's only the telephone books that were recycled, many directories are thrown away adding unnecessary waste to the limited local landfills. This legislation, she opined, is a reasonable common sense solution to unnecessary waste produced by printing, delivering, and duplicating telephone books. Furthermore, Alaskans will save energy and resources used in the production of these materials. In conclusion, Ms. Saito encouraged passage of SSHB 387.

[9:55:02 AM](#)

REPRESENTATIVE DAHLSTROM reiterated concern with the RCA being responsible for overseeing this due to the RCA's lack of staff and already heavy workload, and inquired as to the RCA's comments.

[9:55:42 AM](#)

RICHARD GAZAWAY, Administrative Law Judge, Regulatory Commission of Alaska (RCA), confirmed that the RCA is taxed with projects. He then informed the committee that there is an individual who is dedicated to regulations projects. He related his presumption that if a statute is passed, the conforming regulations wouldn't be as controversial as other regulations. However, it would entail expense and time.

[9:56:10 AM](#)

REPRESENTATIVE DAHLSTROM commented that although this issue may not be controversial, it seems to be one more thing the RCA has to do.

MR. GAZAWAY noted his agreement that this would be additional work. He related that he has discussed this proposal with only

the chair of the RCA. That discussion was only regarding the fiscal note and whether the RCA would be able to utilize existing resources to fulfill the obligations specified in SSHB 387. The conversation was that the RCA could do what's proposed in SSHB 387 under its existing workload levels.

9:57:30 AM

REPRESENTATIVE DAHLSTROM remarked that it's interesting that the [committee packet] doesn't include any comments from any telephone company.

9:58:15 AM

REPRESENTATIVE CISSNA inquired as to the RCA's responsibilities under SSHB 387.

MR. GAZAWAY specified that RCA, per statute, is charged with regulating public utilities, including telecommunications companies that would be subject to SSHB 387. He pointed out that the statute guides the RCA as it specifies that each home is to receive a telephone book for each telephone number in the home. [Under SSHB 387], the RCA's duty would be to comply with the statute and set the guidelines for the utilities as clearly as possible to effectuate the meaning of the statute.

REPRESENTATIVE CISSNA inquired as to how onerous SSHB 387 would be on companies. She then inquired as to whether the RCA has received any complaints about the receipt of excess telephone books.

MR. GAZAWAY answered that he is unaware of any complaints regarding the provision of telephone directories. The existing regulation requires that a certain number of telephone directories be provided free of charge and a reasonable fee can be imposed for additional directories. Regarding SSHB 387, he questioned whether there would be any limits. He related his understanding that companies would have to provide one telephone directory per household, and asked how many would the company provide for free and when would the customer be charged for a telephone directory.

10:02:38 AM

REPRESENTATIVE NEUMAN commented that the statutes, which are replaced every two years, in the capitol building create the same issue as with the telephone directories.

10:03:06 AM

CO-CHAIR LEDOUX announced that SSHB 387 would be held over and requested a legal opinion regarding the constitutionality of the legislation. She also requested hearing from the utilities on this legislation.

10:03:21 AM

**ADJOURNMENT**

There being no further business before the committee, the House Community and Regional Affairs Standing Committee meeting was adjourned at 10:03:25 AM.