

HOUSE FINANCE COMMITTEE  
April 30, 2007  
9:07 a.m.

CALL TO ORDER

Co-Chair Meyer called the House Finance Committee meeting to order at [9:07:47 AM](#).

MEMBERS PRESENT

Representative Mike Chenault, Co-Chair  
Representative Kevin Meyer, Co-Chair  
Representative Bill Stoltze, Vice-Chair  
Representative Harry Crawford  
Representative Richard Foster  
Representative Les Gara  
Representative Mike Hawker  
Representative Reggie Joule  
Representative Mike Kelly  
Representative Mary Nelson  
Representative Bill Thomas, Jr.

MEMBERS ABSENT

None

ALSO PRESENT

Representative Kyle Johansen; Heather Beaty, Staff,  
Representative Harry Crawford; Representative Anna  
Fairclough; Representative Andrea Doll

PRESENT VIA TELECONFERENCE

Lynn Kent, Director, Division of Water, Department of  
Environmental Conservation; O.C. Madden, Brown Jug,  
Incorporated; Bernadette Bradley, President, Alaska Cabaret,  
Hotel, Restaurant & Retailers Association (CHARR),  
Anchorage; Kerry Hennings, Division of Motor Vehicles,  
Department of Administration; Doug Wooliver, Administrative  
Attorney, Alaska Court System

SUMMARY

HB 164 "An Act relating to reporting of vessel location  
by certain commercial passenger vessels operating  
in the marine waters of the state, to access to  
vessels by licensed marine engineers for purposes  
of monitoring compliance with state and federal  
requirements, and to the obligations of those  
engineers while aboard the vessels; and providing  
for an effective date."

CSHB 164 (FIN) was REPORTED out of Committee with a "no recommendation" and with a new fiscal note by the Department of Law and a new revised House Finance fiscal note for the Department of Environmental Conservation.

HB 14 "An Act relating to the purchase of alcoholic beverages and to access to licensed premises; relating to civil liability for certain persons accessing licensed premises; requiring driver's licenses and identification cards to be marked if a person is restricted from consuming alcoholic beverages as a result of a conviction or condition of probation or parole and relating to fees for the marked license; and requiring the surrender and cancellation of driver's licenses under certain circumstances."

CSHB 14 (JUD) was REPORTED out of Committee with a "do pass" recommendation and with zero fiscal note #1 by the Department of Law, indeterminate fiscal note #2 by the Department of Administration, new zero fiscal note by the Court System, and new zero fiscal note by the Department of Corrections.

[9:08:00 AM](#)

HOUSE BILL NO. 164

"An Act relating to reporting of vessel location by certain commercial passenger vessels operating in the marine waters of the state, to access to vessels by licensed marine engineers for purposes of monitoring compliance with state and federal requirements, and to the obligations of those engineers while aboard the vessels; and providing for an effective date."

Representative Gara MOVED to ADOPT Amendment #1:

Page 1, lines 2 - 5:

Delete ", to access to vessels by a wastewater treatment operator for purposes of monitoring compliance with state and federal requirements, to the obligations of that operator while aboard the vessels, and to the qualifications of the wastewater treatment operator"

Page 2, lines 2 - 25:

Delete all material.

Renumber the following bill sections accordingly.

Page 2, line 28:

Delete "Sections 1 and 2 of this Act are"

Insert "Section 1 of this Act is"

Co-Chair Meyer OBJECTED.

Representative Gara explained that the amendment tries to reinstate the Ocean Ranger program the way that the initiative intended. It deletes Section 2, which gives the Commissioner of DEC the discretion to decide when to have Ocean Rangers on board. He stated his desire to satisfy the intention of the original initiative. He opposed the fact that Section 2 takes away protective functions of Ocean Rangers. He compared the tasks of the Ocean Rangers in the initiative to those of the marine engineers in the bill.

REPRESENTATIVE KYLE JOHANSEN, sponsor, stated opposition to the amendment.

A roll call vote was taken on the motion.

IN FAVOR: Gara, Crawford

OPPOSED: Hawker, Joule, Kelly, Nelson, Stoltze, Thomas, Foster, Chenault, Meyer

The motion failed (2-9).

[9:12:51 AM](#)

Representative Gara WITHDREW Amendment #2.

Vice Chair Stoltze asked if there was any previous discussion by the Department of Commerce, Community and Economic Development regarding marine pilots and safety issues during transport. Representative Johansen responded that a letter from the Southeast Alaska Pilots' Association addresses this issue (copy on file.) Representative Johansen thought the discussion about marine pilot safety could take place on the House Floor.

[9:14:55 AM](#)

Representative Gara spoke to the substitution of class III wastewater treatment operators for Ocean Rangers. He voiced concern about not having adequate numbers to cover the ships, nor adequate training in marine sewage treatment. He said he is not satisfied that the bill fulfills the initiative in this matter.

Representative Kelly asked if DEC supports using wastewater treatment workers. Representative Johansen said he could not answer that. He thought they could do the job.

LYNN KENT, DIRECTOR, DIVISION OF WATER, DEPARTMENT OF ENVIRONMENTAL CONSERVATION, explained the education requirements of a level III wastewater treatment operator.

She thought there would be difficulty finding adequate numbers of operators for the first year or two. In response to a question from Representative Kelly, Ms. Kent spoke in favor of the change to use wastewater treatment operators.

[9:18:36 AM](#)

Representative Thomas asked about the number of qualified marine engineers available today. Ms. Kent replied that the training needs are different, but either job class would work. It would be difficult to find the number of marine engineers needed the first year. Representative Thomas asked what happens if enough can't be found. Ms. Kent replied that as many as possible will be hired.

Representative Gara asked for DEC's position on if the Ocean Rangers should be required to be on board the ships whenever they are at sea. Ms. Kent reported that DEC has not taken a stand on the level of coverage and would respond to the legislature's will.

[9:20:54 AM](#)

Representative Johansen reported that DEC testified that the current DEC program - pre-initiative - is working, and the Ocean Ranger program is an additional layer on top of something that already works.

Co-Chair Meyer addressed the new fiscal note by DEC. Previous testimony stated that Ocean Rangers do not have to be state employees. He wanted to change the three supervisory positions to one full-time position, and make the Ocean Ranger positions contractual. Representative Johansen concurred with contracting the Ocean Ranger positions out and reducing the three supervisory positions to one. Co-Chair Meyer maintained that this would provide for more flexibility for DEC.

[9:24:03 AM](#)

Representative Kelly asked if the word "random" permits "continuous", as it applies to DEC control over the Ocean Ranger. Representative Johansen thought the intent was to allow the Commissioner total discretion as to the duration of the supervision by Ocean Rangers.

Representative Gara referred to the two duties of the Ocean Rangers that are removed in this version of the bill. He requested that the sponsor of the initiative address these issues.

Representative Johansen addressed the health issue. He reported that the USDA has regulations in place regarding health standards. In previous committee hearings questions

were asked regarding liability issues. Representative Gara argued that protection from water discharge is not covered under USDA. Representative Johansen replied that the Ocean Ranger's job is to be sure that water quality meets Alaskan standards.

[9:28:44 AM](#)

Co-Chair Meyer addressed zero fiscal note #2.

Representative Kelly thought the cost of the supervisory position was excessive, but stated support for the bill.

Representative Gara voiced concern about the way the bill has turned out. He suggested taking a look after two years to see how it goes. He thought the initiative would raise about \$50 million for the state.

Representative Kelly thought the Committee had a common goal - to implement the initiative responsibly. He thought it was important to give the Commissioner of DEC the discretion to decide the amount of coverage by the Ocean Rangers. He noted the improved record of the cruise ship industry.

[9:32:47 AM](#)

Representative Foster MOVED to REPORT CSHB 164 (FIN) out of committee with individual recommendations and the attached fiscal notes. There being NO OBJECTION, it was so ordered.

CSHB 164 (FIN) was REPORTED out of Committee with a "no recommendation" and with a new fiscal note by the Department of Law and a new House Finance revised fiscal note for the Department of Environmental Conservation.

[9:33:14 AM](#)

At-ease.

[9:34:50 AM](#)

HOUSE BILL NO. 14

"An Act relating to the purchase of alcoholic beverages and to access to licensed premises; relating to civil liability for certain persons accessing licensed premises; requiring driver's licenses and identification cards to be marked if a person is restricted from consuming alcoholic beverages as a result of a conviction or condition of probation or parole and relating to fees for the marked license; and requiring the surrender and cancellation of driver's licenses under certain circumstances."

REPRESENTATIVE HARRY CRAWFORD, sponsor, reported that the bill was the same as HB 190 from previous years. The bill deals with the prevention of drunk driving rather than punishment.

[9:38:23 AM](#)

Vice Chair Stoltze assumed the gavel.

O.C. MADDEN, BROWN JUG, INCORPORATED, testified in support of HB 14. He assured the Committee that continued efforts would be made to encourage responsible drinking and prevent the sale of alcohol to people who are repeat offenders.

Representative Foster asked how an ID would be checked if liquor is ordered from a village. Mr. Madden explained that those ID's have to be mailed in previous to the processing of a liquor order.

[9:41:09 AM](#)

BERNADETTE BRADLEY, PRESIDENT, ALASKA CABARET, HOTEL, RESTARURANT & RETAILERS ASSOCIATION (CHARR), ANCHORAGE, testified in support of HB 14. The industry has been trying to find a way to identify repeat offenders. She related liability problems from not having such a law.

Representative Foster asked if licenses are good for five years. He suggested that an old license could be used instead of the newly-issued marked driver's license.

KERRY HENNINGS, DIVISION OF MOTOR VEHICLES, DEPARTMENT OF ADMINISTRATION reported that licenses are good for five years; however, someone needing a provisional license would have their old license cancelled.

Representative Gara recalled a provision in the bill that states once a person is convicted and requires a provisional license, the court takes away the original license. Representative Crawford said that is still in the bill.

[9:46:36 AM](#)

HEATHER BEATY, STAFF, REPRESENTATIVE HARRY CRAWFORD, addressed Ms. Henning's point regarding that the license is cancelled until the offender is done with the court order not to drink and goes back to DMV to reactivate his or her license. The burden to "uncancel" the license is on the offender.

Representative Crawford reported that the cost of a marked license is \$50.

Representative Thomas asked if there is a penalty for a person who serves someone who is not supposed to drink. He termed it "contributing to the delinquency of a felon." Representative Crawford reported that the bill is not set up to address that situation. In response to a question by Representative Thomas, Representative Crawford replied that it is not mandatory for the premise to comply with the conditions of the bill, but rather voluntary. The bill is an attempt to help the industry police itself. It has the cooperation of the industry.

Vice Chair Stoltze reviewed the fiscal notes.

[9:51:26 AM](#)

DOUG WOOLIVER, ADMINISTRATIVE ATTORNEY, ALASKA COURT SYSTEM, reported that the Court fiscal note will be a zero note. The bill does not change what the court already does.

Representative Gara asked if the court order prohibits an offender from consuming or purchasing alcohol. Mr. Wooliver said it usually includes both.

[9:52:42 AM](#)

Representative Gara MOVED to REPORT CSHB 14 (JUD) out of Committee with individual recommendations and the accompanying fiscal notes. There being NO OBJECTION, it was so ordered.

CSHB 14 (JUD) was REPORTED out of Committee with a "do pass" recommendation and with zero fiscal note #1 by the Department of Law, indeterminate fiscal note #2 by the Department of Administration, new zero fiscal note by the Court System, and new zero fiscal note by the Department of Corrections.

#### ADJOURNMENT

The meeting was adjourned at 9:53 AM.