

HOUSE FINANCE COMMITTEE

April 1, 2008

1:50 p.m.

CALL TO ORDER

Co-Chair Meyer called the House Finance Committee meeting to order at [1:50:26 PM](#).

MEMBERS PRESENT

Representative Mike Chenault, Co-Chair
Representative Kevin Meyer, Co-Chair
Representative Bill Stoltze, Vice-Chair
Representative Harry Crawford
Representative John Harris
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 Richard Foster; Senator Albert Kookesh; Jim Pound, Staff, Representative Wes Keller; Ginny Austerman, Staff, Senator Donald Olson; Cathy Boutin, Librarian, Dzantik'I Heeni Middle School, Juneau; Darwin Peterson, Staff, Senate Finance Committee and Senator Bert Stedman.

PRESENT VIA TELECONFERENCE

Jerry Isaac, Tanana Chief Conference; Kim Roth, Librarian, Tok Community Library; James Huesmann, Dean of Libraries, University of Alaska, Fairbanks; Helen Hill, Director, Homer Public Library; Jennie Grimwood, Cordova; Kathy Cotton, Delta Junction; Debbie Joslin, President, Eagle Forum Alaska; Jim Minnery, Alaska Family Council; Patricia Linville, Librarian, Seward Community Library; Doloris Sturtz, Anchorage; Greg Schmidt, Board, Alaska Family Council; Shawn Tell-Nickolson; Barb Bryson, Alaska Association of School Librarians; Roz Strange, Principal,

Valdez Elementary School; Pam Ockerlander, MatSu Friends of the Library; Julia Ede, MatSu Friends of the Library; Lynn McNamara, Librarian, Anchorage; Patricia Linville, Seward Community Library; Charlotte Glover, Youth Services Librarian, Ketchikan Public Library.

SUMMARY

HB 277 An Act establishing a permanent absentee voting option for qualified voters.

HB 277 SCHEDULED but not HEARD.

HB 353 An Act relating to the blocking of certain Internet sites at public libraries and to library assistance grants.

HB 353 was HEARD and HELD in Committee for further consideration.

CS SB 119(RLS)

An Act relating to grant programs to support libraries.

CS SB 119(RLS) was HEARD and HELD in Committee for further consideration.

SB 158 An Act designating the bridge on the George Parks Highway directly north of the Alaska Native Veterans' Honor Bridge as the Shirley Demientieff Memorial Bridge.

SB 158 was REPORTED out of Committee with a "do pass" recommendation and with fiscal note #2 by the Department of Transportation and Public Facilities.

HOUSE BILL NO. 277

An Act establishing a permanent absentee voting option for qualified voters.

HB 277 SCHEDULED but not HEARD.

SENATE BILL NO. 158

An Act designating the bridge on the George Parks Highway directly north of the Alaska Native Veterans' Honor Bridge as the Shirley Demientieff Memorial Bridge.

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SENATOR ALBERT KOOKESH, SPONSOR, described Shirley Demientieff as instrumental in the naming of the Alaska Native Veterans' Honor Bridge which goes over the Tanana River next to Nenana. That bridge spans the river from Nenana to an island. Another, smaller bridge goes over a slough from the island to the north side of the river. The legislation would designate the smaller portion of the bridge as the Shirley Demientieff Memorial Bridge.

Senator Kookesh called Shirley Demientieff a strong supporter of veterans. Shortly after she successfully led the campaign to name the Veterans' Honor Bridge, she was diagnosed with cancer and died. The Fairbanks Daily News labeled Shirley Demientieff as "a bridge between many troubled lives." The Sponsor thought it appropriate to name the north section of the bridge after her. She was in charge of a search and recovery team and her intention was to work to recover the body when a person died on the river.

Senator Kookesh explained that the fiscal note for \$7,500 was for signs on and around the bridge.

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Co-Chair Meyer acknowledged the fact that this bill was Senator Kookesh's first and only bill in his long and successful career in the Legislature.

Representative Crawford voiced his support for the measure.

JERRY ISAAC, TANANA CHIEF CONFERENCE (testified via teleconference), testified in support of the bill honoring the life of Shirley Demientieff. He described her as a person who served and cared for others. The Tanana Chief Conference and many other Native organizations have benefited from her active engagement and participation in forums focusing on improving the well being of the communities. As an Indian Welfare Specialist, she protected children from harm and helped parents get back on their

feet and reunite with their children. She found adoptive homes for Native children and fostered many children herself. She worked through the Tribal Enrollment Program to connect long lost descendants with their families and tribes. Her voice and perspective helped develop and guide new policies and services that continue to benefit those in need. The Tanana Chief Conference joins the large body of Alaskans throughout the state to have been touched by this strong, loving and caring Athabascan woman: mother, sister, auntie, friend and proponent for those who had little voice. She held a place in her heart for every Alaskan.

Mr. Issac proposed that it is only fitting that Alaska retain a place for her above the river of the interior, for that is where she lived her life of service. She was a loving and compassionate bridge that connected people to each other and worked for all Alaskans. The Tanana Chiefs Conference respectfully asked to unanimously move the bill out of Committee and strongly support its passage.

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PUBLIC TESTIMONY CLOSED.

Co-Chair Meyer asked where she was from. Senator Kookesh replied that the Demientieff families are largely from Nenana. She spent her last years in Fairbanks for cancer treatments.

Vice-Chair Stoltze MOVED to REPORT SB 158 out of Committee with individual recommendations and attached fiscal note.

SB 158 was REPORTED out of Committee with a "do pass" recommendation and with attached fiscal note #2 by the Department of Transportation and Public Facilities.

HOUSE BILL NO. 353

An Act relating to the blocking of certain Internet sites at public libraries and to library assistance grants.

JIM POUND, STAFF, REPRESENTATIVE WES KELLER, described the bill as requiring public libraries to protect children from indecent material, which is defined in existing statute. The bill is consistent with the Child Internet Protection

Act, enforced by the Federal Communications Act, and is tied into the E-rate discount on access to broadband internet for libraries that conform to the Child Protection Act.

Mr. Pound said 40% of libraries in Alaska, or 89, have no filters on their internets. He said the filters are inexpensive, effective, and readily available. Libraries do not carry pornographic magazines or books. The legislation would allow a librarian to disable the filter for an adult, if requested for legitimate sites, and to take care of the problems caused by filtering programs over-reacting to certain words.

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Representative Gara queried the cost of installment and up-keep of the equipment needed. Mr. Pound answered that it is primarily software that can be downloaded.

Representative Joule referenced the fiscal note, which says individual libraries would incur costs ranging from \$100 for small libraries to \$20,000 for the larger ones. He asked for an explanation for the difference between those numbers and what Mr. Pound was saying. Mr. Pound listed programs, including NetNanny, which cost \$60-100 per year for internet security, and WebWatcher. Norton AntiVirus is a free add-on.

Representative Gara recollected hearing about the issue of pornography on public computers before, and wondered about other state or municipal laws connected with the issue.

Representative Gara referred to stack of correspondence he had received from people concerned about the bill. One is connected to federal E-rate funding. Another is from the director of Juneau Public Libraries, which says that the costs for installing institutional software is much higher. Juneau Libraries, which has a network system, would have to pay at least \$1600 the first year and \$1800 after the first year. Higher cost systems are up to \$10,000.

Mr. Pound understood that E-rate would save libraries about \$6,000 per year on broadband internet access, but they are not eligible without blocking software.

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Representative Gara asked if NetNanny could be installed on a network system. Mr. Pound thought it could be installed on a network or on individual computers.

Representative Joule wondered how large the problem is. Mr. Pound replied that young people are using library computers more often.

Co-Chair Meyer thought the school districts already had the filtering system. Mr. Pound replied that they did. He added that the University has an exemption.

Co-Chair Meyer OPENED PUBLIC TESTIMONY.

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KIM ROTH, LIBRARIAN, TOK COMMUNITY LIBRARY (testified via teleconference), testified in opposition to HB 353. Tok has about 1350 people and only two public access computers, one of them at the Tok Public Library, an all-volunteer library since 1955. She pointed out that the bill has serious implications for very small libraries. The first implication is cost. Tok Public Library operates on \$7500 per year. It would cost them around \$1000 to get their computer in compliance and around \$1000 per year after, not including maintenance and upkeep. That would be a serious financial hardship. At present there is not enough money to pay for the heating bill.

Ms. Roth questioned the need for the program. She worried about the many volunteers being put into the position of being felons or legally liable because of inadvertent access on the computer. She said there has never been a problem. She described an incident of her daughter being unable to access information about the Civil War on her school computer because the filters listed the information as too graphic.

Ms. Roth did not think the Legislation was appropriate for small libraries.

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JAMES HUESMANN, DEAN OF LIBRARIES, UNIVERSITY OF ALASKA, FAIRBANKS (testified via teleconference), testified in opposition of HB 353. He pointed out there had been no

analysis of public libraries that do not have internet filters in conjunction with their overall budgets. He thought very small libraries would be most negatively affected by the bill. He said filters are moderately effective against written text but still very bad at photos and video, which are more the problem with pornography.

Mr. Huesmann explained that institutional costs for filtering software are dramatically higher than individual costs. More and more of the library's resources are online. More government services, such as filing for the Permanent Fund Dividend, are on the internet. Closing that down could be a significant problem. As a parent, he worries more about what his children do at home on the internet than what they do at the public library where there is supervision.

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Representative Gara asked for more information about installation costs. Mr. Huesmann responded that part of the problem is that most of the computers in Alaska libraries have been purchased by the Bill Gates Foundation. Many of those have security software already built into them that make it far more difficult to install new software. Even on individual systems, the cost is higher. On network systems, a network technician is needed to put in the software, and there are more complex concerns. He told a story of an entire library system being shut down for days because the name of the library happened to include a word that prompted the filtering system to prevent access to even their own home page.

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HELEN HILL, DIRECTOR, HOMER PUBLIC LIBRARY (testified via teleconference), spoke in opposition to HB 353. Homer Public library does not use filtering software for public access computers, but they have an internet safety policy and internet use agreement to which all patrons must agree in order to log on. The decision to not filter was a community decision. All computers are in view of library staff. She thought library personnel are more effective than software; Homer chose to spend limited funds on people rather than equipment to keep the library safe. The library does not have the resource to enable and disable computers many times each day. The library is in compliance with

Children's Internet Protection Act (CIPA) because they only request a telecommunications discount through the E-rate program and not an internet discount. She described the use of grants and municipal funds.

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Representative Gara asked about the library's ability to use free software. Ms. Hill said the costs would be higher, and it becomes a lot more complicated on a network system to disable and enable. Representative Gara wondered why filters would have to be turned on and off. Ms. Hill explained that the law requires that the library disable the filter for anyone age 17 or over who asks. After that person is finished with the computer, staff has to turn the filter back on.

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AT EASE

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RECONVENE

JENNIE GRIMWOOD, CORDOVA (testified via teleconference), spoke in support of the bill. The local library is highly used without adequate supervision. She related a story of a pornographic photograph placed on the desktop of a library computer.

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KATHY COTTON, DELTA JUNCTION (testified via teleconference), spoke in support of the legislation. People are constantly rotating on and off the very popular computers, making them hard to monitor. She thought the block would prevent the necessity of someone looking over her shoulder while on the internet.

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DEBBIE JOSLIN, PRESIDENT, EAGLE FORUM ALASKA (testified via teleconference), spoke in support of the legislation with an Amendment to restore the original language of the bill. She has concerns about pornography. She does not want librarians looking over her shoulder. She does not trust librarians to monitor the computers, as the American Library Association is on record saying pornography filters are an infringement of First Amendment rights. She thought the cost was worth protecting children.

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JIM MINNERY, ALASKA FAMILY COUNCIL (testified via teleconference), spoke in support of the bill. He reported that sixty percent of the libraries in the state, including the tiny ones, are currently using internet filters. The federal law did not put the libraries out of business and he did not think a state law would either. The remaining 40% of Alaskan libraries that choose not to use filters are forfeiting significant federal funds that they could use through E-rate. He spoke of a Fairbanks library that was saving \$6,000 per year by using filters.

Mr. Minnery spoke to whether there was a problem. Supreme Court said that it was discovered that minors regularly searched the internet for pornography and exposed others by leaving pornography displayed on monitors. He did not think it was accurate for librarians to say that it is not an issue. He referred to web marketing strategies that target children by misspelling of domain names to lure children to sites.

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Vice-Chair Stoltze related a story.

Mr. Minnery asserted that internet filters are not the same as librarians monitoring the computers. He thought the amendment seriously weakened the bill. He spoke to the American Librarian Association not using age to discriminate what materials can be used in a library.

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PATRICIA LINVILLE, LIBRARIAN, SEWARD COMMUNITY LIBRARY (testified via teleconference), spoke in opposition to the legislation. She thought the law would be redundant because of federal law, and that filtering should be a community issue. The bill would deny money to libraries that don't filter, which could mean the entire budget of small libraries. In Seward the youth computers are close to the front desk and separate from the adult computers.

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DOLORIS STURTZ, ANCHORAGE (testified via teleconference), spoke in support of the bill. She would like the original language of the bill restored. Pornography is a big issue. She wanted to protect children from the mental harm of viewing pornography.

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GREG SCHMIDT, BOARD, ALASKA FAMILY COUNCIL (testified via teleconference), spoke in support of the bill in its original wording. He reminded the Legislature of the Constitution, which supports what is good for the people as a whole. He did not want the government to support exposing children to harm.

Ms. Roth reported that most libraries have a use policy. The Tok Community Library requires young children to have a parent present to use a computer. She described the extra work libraries have to do to use E-rate. The community decided to monitor the children in order to get internet access.

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SHAWN TELL-NICKOLSON (testified via teleconference), spoke in support of the bill. She worried about what her child would view in a public library.

PUBLIC TESTIMONY CLOSED.

AT EASE: [2:58:48 PM](#)

RECONVENE: [3:00:43 PM](#)

Representative Joule referenced the zero fiscal note and disagreed that there would be no fiscal impact. Co-Chair Meyer stated that with the amended version, there would be no expense. The original bill would require libraries to buy the filters, but the amended bill requires monitoring.

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Representative Gara pointed out that if the University was included in the bill, there would be fiscal costs.

Representative Kelly MOVED Amendment #1, to return the bill to the original version, 25-LS1356\E. Co-Chair Chenault OBJECTED to hear discussion.

Representative Kelly believed that the changes made to the bill took the bill in the wrong direction. He felt that the root bill attempts to protect children from exposure to pornography, which can damage them. It should not be easy to view pornography in public libraries. He did not know about exempting the University.

Representative Kelly WITHDREW the Amendment. There being NO OBJECTION, it was so ordered.

Representative Kelly MOVED to return to the original version of HB 353. Co-Chair Chenault OBJECTED for discussion.

Representative Gara thought there could be changes that are not clear.

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Mr. Pound pointed out that the changes made in the State Affairs Committee, version K, primarily added "or monitoring," in the title and on page 1, line 11 and page 2, line 2, monitoring systems; the longer definition was to exempt the University. Representative Gara did not think that the definition would exempt the University. Mr. Pound explained that the attorneys said it would exempt the University from the bill.

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Representative Gara did not understand how the definition would exempt the University. Mr. Pound did not know.

Co-Chair Chenault asked if the libraries at the University system were open to the public. Mr. Pound answered that some of them are. He reiterated that Legal had said the University was exempted by the language.

Representative Kelly suggested that the original version be adopted and then the bill be held to determine if the language should be amended.

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Co-Chair Chenault WITHDREW his OBJECTION. Representative Gara OBJECTED.

Representative Gara was surprised to hear that the language dealt with the University. The part removed is regarding the library's decision to monitor instead of using the software. He did not know if it was expensive to install. He just did not know enough. He thought that the extra sentence allowed the smaller libraries to keep their computers going.

Co-Chair Meyer understood that the intent was to get the original bill before the Committee. Representative Gara thought that the dispute was only the sentence. It addresses the cost issues of the small libraries.

Co-Chair Meyer pointed out that the University is under a different subsection of the law.

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A roll call vote was taken on the motion to return to the original version of HB 353.

IN FAVOR: Hawker, Kelly, Stoltze, Thomas, Crawford, Meyer, Chenault

OPPOSED: Gara

Absent from the vote: Joule, Nelson, Harris

The MOTION PASSED (7-1).

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Co-Chair Chenault noted the bill would restrict state grants to libraries that refused to implement. The Sponsor statement also referred to local grant money to libraries. He wondered if there had been a change.

HB 353 was HEARD and HELD in Committee for further consideration.

CS FOR SENATE BILL NO. 119(RLS)

An Act relating to grant programs to support libraries.

GINNY AUSTERMAN, STAFF, SENATOR DONALD OLSON, SPONSOR, explained that SB 119 establishes a public library construction grant program to be used for expanding library materials. The State would match up to 50% of the cost of new library construction or major expansion for eligible communities. Local government would be responsible for at least a 20% match. The remainder can be provided by private donors. The Department of Commerce, Community and Economic Development will administer the grant and promulgate regulations to establish ranking criteria. A maximum grant of \$3,000 to a public school library is included to be used for library materials.

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Co-Chair Meyer noted the bill originally pertained to grants to public libraries. Ms. Austerman said the Sponsor supports the additional language for construction funds.

Representative Thomas referred to a harbors bill prohibiting using General Fund money through a capital appropriation to be used as match money. He wondered if that applied to libraries.

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Co-Chair Meyer OPENED PUBLIC TESTIMONY.

BARB BRYSON, ALASKA ASSOCIATION OF SCHOOL LIBRARIANS (testified via teleconference), spoke in support of the bill. Studies show that a school library program that is adequately staffed, resourced, and funded can lead to higher student achievement regardless of the socio-economic or education levels of that community. The problem is that some libraries have a zero budget year after year. Based on statistics, the median budget for school libraries nationwide was \$9,368; the average budget in the Pacific Northwest was \$19,211. In Alaska, the average total 2006-07 school library budget was \$4,284. Replacing library materials is expensive. The average cost of a children's hard cover book was \$21. An annual grant could assist in improving library collections. Librarians around the state encourage support of the bill.

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ROZ STRANGE, PRINCIPAL, VALDEZ ELEMENTARY SCHOOL (testified via teleconference), supported the legislation. She thinks libraries provide important resources and build community. She pointed out that some Alaskan communities have no library other than their school library. The grants could make an importance difference in a community.

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PAM OCKERLANDER, MATSU FRIENDS OF THE LIBRARY (testified via teleconference), talked about the Battle of the Books program. As popular as the program is, there is not enough money to find the books for the program, let alone new books and other resources for the library. Friends of the Library hopes to build a new library in her community. She referred to a library that doubled the amount of people coming into the library when they doubled the space.

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JULIA EDE, MATSU FRIENDS OF THE LIBRARY (testified via teleconference), spoke in strong support of the bill. She stated concerns regarding the construction funds for small communities for libraries. She thought libraries could provide Alaskans with information and resources to address issues like energy and other problems.

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LYNN MCNAMARA, LIBRARIAN, ANCHORAGE (testified via teleconference), spoke in support of SB 119. In smaller Alaskan communities the school library is the only library. In many cases the school library budget is set by each principal, which forces principals to make hard choices. The bill will encourage principals to put money into their libraries. She thought a library collection was infrastructure and not supporting a collection was like deferred maintenance. The books must change with the times.

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Representative Hawker stated that he would work to make sure that small communities would be included in the bill.

PATRICIA LINVILLE, SEWARD COMMUNITY LIBRARY (testified via teleconference), spoke in support of the legislation. His library is the only municipally funded public library on

the eastern Kenai Peninsula. Besides books, they provide assistance to people needing tax forms, PFD online applications, applying for jobs, homework, computer games. Seasonal workers check their email and get information. They are planning a new library and will apply for the matching grant.

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CHARLOTTE GLOVER, YOUTH SERVICES LIBRARIAN, KETCHIKAN PUBLIC LIBRARY (testified via teleconference), supports funding for library construction and the library assistance grant program. She has seen many grant applications from school librarians and teachers detailing how limited their resources are for new books. Book circulation continues to grow at the public library; they loan an average of 600 books a month to the school library. Teachers often spend their own money to buy the books their students need. Many children have no access to books other than through the community library. Studies have shown that well-stocked libraries increase literacy.

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CATHY BOUTIN, LIBRARIAN, DZANTIK'I HEENI MIDDLE SCHOOL, JUNEAU, spoke in support of the bill. She showed the Committee a wide variety of beautiful books and magazines with large price tags on them. She then showed old, out-of-date books from the library shelves. She said a \$3000 grant would go a long way to stock the school library.

PUBLIC TESTIMONY CLOSED.

Co-Chair Meyer reminded the Committee the version before them was CS SB 119 (RULES).

Representative Thomas asked why the grant was limited to towns of 10,000 people or more.

DARWIN PETERSON, STAFF, SENATE FINANCE COMMITTEE AND SENATOR BERT STEDMAN, answered that the reason for the cap is the intent is to help small communities without libraries. There is no appropriation in the fiscal note because the Senate would like to see how many applications are received and make the appropriation in the next fiscal year.

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Representative Hawker wanted to verify grant eligibility requirements on page 2, line 9, especially item (2) "located in a community with less than 10,000 persons." He thought the word "community" and not "municipality" was chosen in order accommodate a community like Girdwood, which is part of a larger municipality but a discreet community. Mr. Peterson clarified that as the Senate Finance Committee amended the legislation, the word was chosen because it is nebulous and can cover cities, towns, or boroughs with a population of 10,000 or less. Representative Hawker further asked if the intent of the language included Girdwood. Mr. Peterson answered that the intent was not to exclude any communities or cities within any organized borough, but to exclude larger boroughs that do not have the level of need that very small communities have.

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Representative Hawker referred to the Work Draft with changes made to the eligibility criteria.

Co-Chair Meyer asked why Juneau, Fairbanks, and Anchorage were excluded. Mr. Peterson explained that the intent behind the cap is that larger towns have well-served libraries. There are smaller communities in organized and unorganized Alaska that have no library. If the larger communities were included, the Senate feared they would use up the small amount of money.

Co-Chair Meyer stated that the larger libraries, who serve many people, could use the grants. He understood that the intent as to focus on the smaller communities. There was a discussion about the need in larger communities and the cap.

CS SB 119(RLS) was HEARD and HELD in Committee for further consideration.

ADJOURNMENT

The meeting was adjourned at 3:57 PM.