

HOUSE FINANCE COMMITTEE

April 2, 2008

8:43 a.m.

CALL TO ORDER

Co-Chair Meyer called the House Finance Committee meeting to order at [8:43:05 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

Jim Pound, Staff, Representative Wes Keller; Suzanne Armstrong, Staff, Co-Chair Meyer; Joyce Anderson, Administrator, Select Committee on Legislative Ethics; Representative Bob Lynn, Sponsor; Mike Sica, Staff, Representative Bob Lynn; Senator Johnny Ellis, Sponsor; Representative Berta Gardner; Senator Gary Stevens, Sponsor.

PRESENT VIA TELECONFERENCE

Ron Siebels, Alaska Chapter of the Military Order of the Purple Heart; Ric Davidge, State Council President, Vietnam Veterans of America.

SUMMARY

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

HB 353 was REPORTED out of Committee with "no recommendation" and a zero fiscal note from the Department of Education and Early Development.

HB 368 "An Act modifying the limitations on political fund raising during legislative sessions by candidates for governor or for lieutenant governor, and amending the Legislative Ethics Act to modify the limitation on political fund raising by legislators and legislative employees during legislative sessions, to allow legislators and legislative employees to accept certain gifts from lobbyists within their immediate families, to clarify the Legislative Ethics Act as it relates to legislative volunteers and educational trainees, to reduce the frequency of publication of summaries by the Select Committee on Legislative Ethics, to revise procedures and penalties related to the late filing of disclosures required by the Legislative Ethics Act, and to add a definition to that Act."

CSSH 368 (STA) title am, as amended was reported out of Committee with a "do pass" recommendation, a zero fiscal note from Department of Administration, and a new zero fiscal note from the Legislature.

CSSB 216 (TRA)

"An Act designating the Alaska Highway and portion of the Richardson Highway as the Purple Heart Trail."

CSSB 216 (TRA) was reported out of Committee with a "do pass" recommendation and fiscal note from the Department of Transportation and Public Facilities.

CSSB 241 (HES)

"An Act relating to a report to the legislature on teacher preparation, retention, and

recruitment by the Board of Regents of the University of Alaska; and providing for an effective date."

CSSB 241 (HES) was reported out of Committee with a "do pass" recommendation, a zero fiscal note from the University of Alaska, and a letter of intent from the House Health, Education, and Social Services Committee.

[8:43:35 AM](#)

#hb353

HOUSE BILL NO. 353

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

Co-Chair Meyer summarized the history of the bill in committee and invited amendments.

[8:44:54 AM](#)

Representative Kelly MOVED to ADOPT Amendment #1, 25-LS1356\E.1, Bannister 4/1/08 (Copy on File):

Page 2, lines 6-7:

Delete all material and insert:

- (2) "public library" means a library that
 - (A) provides the following services free of charge to members of the public:
 - (i) establishment and maintenance of a collection of books and other materials for loaning;
 - (ii) access to interlibrary loan services;
 - (iii) reading or other educational programs for children;
 - (iv) reference information; and
 - (B) is not operated by or affiliated with the University of Alaska."

Vice-Chair Stoltze OBJECTED.

Representative Kelly explained that the committee adopted the original version of HB 353, which includes the

University. The amendment removes the University of Alaska from the requirement for a library filter.

Representative Hawker commented that the amendment allows government to exempt itself from the laws imposed on the rest of the community.

Representative Gara pointed out that the university wants to be exempted for the same reason as small libraries: because it is expensive. He emphasized the difficulty monitoring computers as outlined in the bill due to staffing. He did not support the amendment and felt that the provision needed to have the language from the CS 353 (STA) or something that addresses costs to the library.

[8:47:17 AM](#)

Vice-Chair Stoltze disagreed with Representative Gara's interpretation of the amendment. Exempting the university addresses the fact that there is an adult population using the university library.

Representative Kelly maintained that the cost to smaller libraries would be less because of less expensive software.

[8:48:27 AM](#)

JIM POUND, STAFF, REPRESENTATIVE WES KELLER, agreed with Representative Kelly and reported that downloading the program for the filter takes about 15 minutes.

Representative Gara noted that smaller libraries with only part-time staff and without high-speed internet would have more difficulty downloading software.

Vice-Chair Stoltze reminded the committee that the amendment was about the University of Alaska exclusion.

[8:49:43 AM](#)

Representative Kelly responded that anything that can be downloaded can also be purchased on CD.

Representative Hawker asserted that the bill raises fundamental questions of equal treatment and freedom of speech. He did not want the state to be a place where children could view pornography. He expressed discomfort

with omitting the university and stated opposition to the amendment.

[8:51:35 AM](#)

Co-Chair Meyer noted that the university library is available only to adults.

Representative Kelly said generally he would not exempt the university regarding other issues and underlined that the issue is protecting children.

[8:52:21 AM](#)

Co-Chair Chenault reminded the committee that the university is open to the general public, including children.

[8:53:13 AM](#)

Representative Gara said that Representative Kelly's suggestion of purchasing a CD underlines the point that there is a cost associated with the provision. He reiterated concern regarding financial hardship for small libraries.

[8:53:42 AM](#)

Representative Kelly responded that the cost is insignificant if the issue is protecting children. The amendment simply separates out the adult population. He was concerned about children having access to the internet at the university.

AT EASE: [8:54:56 AM](#)

RECONVENE: [8:57:59 AM](#)

[8:58:04 AM](#)

Representative Kelly WITHDREW Amendment #1.

[8:58:25 AM](#)

Representative Gara MOVED to ADOPT Amendment #2, 25-LS1356\E (Copy on File):

Page 2, following line 7:

Insert a new bill section to read:

(d) This section does not apply to a public library that:

- (1) has a policy prohibiting computer users from viewing internet sites that depict the items described in AS 11.61.128 (1)(A)-(F) and
- (2) determines that complying with this section would require a cost that materially reduces library services made available to the public.

Vice-Chair Stoltze OBJECTED.

Representative Gara explained that the amendment requires compliance with the provision unless a library cannot afford software without reducing library services, and has a policy in place prohibiting access.

[8:59:02 AM](#)

Vice-Chair Stoltze felt the interpretation was too broad and could apply to any library regardless of size. He acknowledged that the intent of the amendment is addressing smaller libraries, but claimed the language is broader.

Representative Gara reiterated concerns about costs to libraries.

[8:59:56 AM](#)

Co-Chair Chenault interpreted the amendment to mean that if the software costs too much, then a policy would suffice. He referred to public testimony regarding convicted sex offenders using the library. He did not think these users would be deterred by a policy. He noted appreciation for the intent but was concerned that the amendment was not sufficient.

[9:01:19 AM](#)

Representative Gara remarked that the bill itself did not address the larger problem of internet predators. He acknowledged agreement that no one wants children viewing pornography but maintained that there is too much uncertainty on how to address concerns and costs. He felt the amendment was preferable to shutting down a small library.

Representative Kelly opposed Amendment #2. He emphasized that the libraries are not in favor of control. He wanted to send a clear message regarding the issue by passing HB 353.

Vice-Chair Stoltze MAINTAINED his OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Gara

OPPOSED: Kelly, Stoltze, Thomas, Hawker, Meyer, Chenault

Representatives Crawford, Foster, Joule, and Nelson were absent from the vote.

The MOTION FAILED (6-1).

AT EASE: [9:03:52 AM](#)

RECONVENED: [9:04:30 AM](#)

[9:04:34 AM](#)

Vice-Chair Stoltze MOVED to report HB 353 out of Committee with individual recommendations and the accompanying fiscal note. There being NO OBJECTION, it was so ordered.

HB 353 was REPORTED out of Committee with "no recommendation" and a zero fiscal note from the Department of Education and Early Development.

[9:05:33 AM](#)

#hb368

HOUSE BILL NO. 368

"An Act modifying the limitations on political fund raising during legislative sessions by candidates for governor or for lieutenant governor, and amending the Legislative Ethics Act to modify the limitation on political fund raising by legislators and legislative employees during legislative sessions, to allow legislators and legislative employees to accept certain gifts from lobbyists within their immediate families, to clarify the Legislative Ethics Act as it relates to legislative volunteers and educational trainees, to reduce the frequency of publication of summaries by the Select Committee on Legislative

Ethics, to revise procedures and penalties related to the late filing of disclosures required by the Legislative Ethics Act, and to add a definition to that Act."

Co-Chair Chenault informed the committee that although he withdrew Amendment #1 in the previous meeting, he still maintained concerns regarding making the Committee on Legislative Ethics the prosecutor, judge, and jury for ethics violations.

[9:06:50 AM](#)

Co-Chair Meyer MOVED to ADOPT Amendment #3 (Copy on File):

Page 2, following line 18:

Insert a new bill section to read:

"*Sec. 2. AS 24.60.031 is amended by adding a new subsection to read:

(c) this section does not prohibit a legislator from soliciting or accepting a contribution or making campaign expenditures during a special session held during the 90 days immediately preceding an election if the district for which the legislator has filed for office is in the municipality where the special session occurs."

Renumber the following bill sections accordingly.

Vice-Chair Stoltze OBJECTED.

[9:07:23 AM](#)

AT EASE: [9:07:31 AM](#)

RECONVENED: [9:09:21 AM](#)

SUZZANNE ARMSTRONG, STAFF, CO-CHAIR MEYER, explained that the amendment adds a new section under AS 24.60.031 that restricts fundraising. Currently a legislator who is a candidate for office cannot raise funds during regular or special session within the municipality in which the regular or special session is occurring. Concerns were raised regarding parity of those legislators who reside in the municipality where the session occurs.

Ms. Armstrong explained that there is a history of changes to the statute regarding fundraising.

[9:11:00 AM](#)

JOYCE ANDERSON, ADMINISTRATOR, SELECT COMMITTEE ON LEGISLATIVE ETHICS, described an ethics statute from the 1980s that read: "Members of the legislature elected to represent the capital city are exempt from the requirements of (f)" of the section regarding campaigning. The statute was rewritten in 1992. At that time fundraising became prohibited. She did not find record in the ethics office that there were complaints regarding the issue.

Ms. Anderson added that under Amendment #3 a legislator could campaign during a special session in the municipality in which the session is held if it were 90 days preceding an election. Legislators representing districts outside the municipality where the session is held may not campaign or raise funds in the municipality where the session is held.

[9:13:58 AM](#)

Vice-Chair Stoltz emphasized his objection to the bill. He did not want loopholes created with regards to campaign fund raising.

[9:15:25 AM](#)

Co-Chair Meyer did not want to put the Juneau legislators at a disadvantage for fundraising, especially in years when there are many special sessions.

[9:15:55 AM](#)

REPRESENTATIVE BOB LYNN, SPONSOR, thought the amendment's intent was good, but felt the bill should remain unchanged. He wanted fewer loopholes and exceptions in order to make the law easier to follow.

[9:16:46 AM](#)

Representative Hawker expressed concern that without the amendment the bill could present a discriminatory situation. He underlined the importance of maintaining equal treatment under the law.

[9:17:20 AM](#)

Representative Gara discussed the timing of the fundraising. Fundraising is prohibited up until 90 days before the election. Without the amendment, an incumbent legislator could be at a disadvantage in competitive campaigns if they represent the municipality in which the special session is held. He thought the rule should be equal; either everyone or no one should be able to fundraise. He stated concerns regarding corruption without the amendment.

Co-Chair Mayer stated his agreement.

[9:20:02 AM](#)

Representative Thomas supported the amendment because it levels the playing field.

Representative Nelson pointed out for the record that Juneau members do not support the amendment.

[9:21:24 AM](#)

Representative Gara pointed out a language error and suggested amending the amendment to add "legislative staff or legislative employee."

[9:22:04 AM](#)

Vice-Chair Stoltze pointed out that staff has to resign in order to run for office. Ms. Anderson affirmed his statement.

Representative Gara withdrew the amendment to the amendment.

Ms. Armstrong explained that AS 24.60.031 (a) and (b) are the sections that outline what legislative employees cannot do on behalf of a legislator running for office.

[9:23:00 AM](#)

Vice-Chair Stoltze echoed comments that Juneau legislators are opposed to the amendment. He described campaign difficulties because of being distant from his district.

[9:25:02 AM](#)

Vice-Chair Stoltze MAINTAINED his OBJECTION.

A roll call vote was taken on Amendment #3.

IN FAVOR: Thomas, Crawford, Gara, Hawker, Joule, Meyer
OPPOSED: Nelson, Stoltze, Kelly, Chenault

The MOTION PASSED (6-4).

Representative Thomas asked why the provision does not include the governor and lieutenant governor.

[9:26:36 AM](#)

Representative Lynn reported that the issue was discussed at length in the House Judiciary Committee. The governor and lieutenant governor were taken out as it was felt that it was inappropriate to use the bill for a broader ethics concern.

[9:27:40 AM](#)

Representative Thomas observed that the bill was filed before the lieutenant governor filed for office. Representative Lynn noted there had been much political debate over the issue. He felt that it was better to leave the executive branch out of the provision.

[9:28:17 AM](#)

MIKE SICA, STAFF, REPRESENTATIVE BOB LYNN, said the genesis of the bill was when the Select Committee on Legislative Ethics came to the House and Senate with a request for a simple "fix it" bill. He explained that Section 1, Title 15 was not in the original bill. It was added because a change to the statute on fundraising should apply to the executive branch as well. Though well intentioned, it did not fit with the committee's recommendations.

Representative Lynn observed that inclusion of the executive branch created political challenges detracting from the attempt to pass an ethics bill.

[9:29:38 AM](#)

Representative Thomas emphasized concern about the ability of the governor and lieutenant governor to campaign while

the legislature is in session. He suggested the effective date be changed to November. He felt no one should campaign during session. Representative Lynn responded that the effective date for the entire bill would then be changed.

Co-Chair Meyer did not think the legislature should concern itself with the executive branch.

[9:30:44 AM](#)

Vice-Chair Stoltze MOVED to report CS HB 368 as amended out of Committee with individual recommendations and the accompanying fiscal note.

There being NO OBJECTION, CS HB 368 (STA) title am, as amended, was reported out of Committee with a "do pass" recommendation, a zero fiscal note from Department of Administration, and a new zero fiscal note from the Legislature.

[9:32:47 AM](#)

#sb216

CS FOR SENATE BILL NO. 216 (TRA)

"An Act designating the Alaska Highway and portion of the Richardson Highway as the Purple Heart Trail."

SENATOR JOHNNY ELLIS, SPONSOR, provided an overview of the bill and noted that Representative Gardner was a sponsor of the companion legislation in the House. The intent of the bill is to honor Alaska veterans and show Alaska's pride in veterans to visitors. Alaska has more than 1,000 active military duty personnel. Forty-four other states have designated all or part of their interstate highway system as part of the Purple Heart Trail.

Senator Ellis reported that the Alaska Highway was originally built by the U.S. Army during World War II. The bill proposes large signs at Fairbanks, Delta Junction, Tok, and the Canadian border, with smaller signs at points between, and three pullouts with informational signs explaining the Purple Heart Trail.

Senator Ellis credited Ron Seibels, commander of the Alaska military Order of the Purple Heart, for the original idea of the bill. The changes to the CS and sign design were

proposed by the Department of Transportation and Public Facilities.

[9:35:10 AM](#)

REPRESENTATIVE BERTA GARDNER spoke in support of the legislation. She added that the Military order of the Purple Heart is only for service men and women who have been killed or injured in the line of duty. She recounted that the House had recently passed legislation relating to the decoration of honor.

[9:36:09 AM](#)

Vice-Chair Stoltze spoke in support of the legislation. He noted that there was little recognition of the servicemen who built the Alaska Highway, who were treated in a discriminatory manner. He noted that he may write a letter of intent recognizing them.

[9:38:56 AM](#)

RON SIEBELS, ALASKA CHAPTER OF THE MILITARY ORDER OF THE PURPLE HEART (testified via teleconference), spoke in support of the legislation. He underlined that there has been no opposition to the provision. The communities along the route have written in support. He thought the Purple Heart signs would create a positive impression on visitors. He stated his appreciation for support for the project and urged timely passage of the bill.

[9:43:03 AM](#)

Vice-Chair Stoltze asked who is depicted on the Purple Heart stamp. Mr. Siebels believed it was George Washington.

[9:43:43 AM](#)

RIC DAVIDGE, STATE COUNCIL PRESIDENT, VIETNAM VETERANS OF AMERICA (testified via teleconference), spoke in support of the legislation. The majority of veterans in Alaska are Vietnam veterans. He clarified that the Purple Heart can only be received by someone who is injured or killed by enemy fire, not by friendly fire. Vietnam Veterans of America is working with the new national veterans' organization, the Veterans of Modern Warfare, who represent

all post-Vietnam veterans. The Purple Heart Trail project helps show honor to veterans and supports all veterans.

[9:45:36 AM](#)

Representative Gara thanked Mr. Davidge for his work.

[9:45:56 AM](#)

Co-Chair Meyer acknowledged the fiscal note from the Department of Transportation and Public Facilities for \$150,000 for making and installation of the signs.

[9:46:23 AM](#)

Vice-Chair Stoltze said he would draft a letter of intent in that states the basic intent of honoring the existing Alaska Veterans.

[9:46:41 AM](#)

Representative Joule remembered a debate on the House floor regarding signage on the highway. At that time it was voted down.

[9:47:42 AM](#)

Vice-Chair Stoltze clarified that the House floor debate referenced by Representative Joule was regarding tourist oriented directional signs.

[9:47:56 AM](#)

Representative Thomas spoke in support of the bill and hoped to see language in the bill encouraging the Yukon government to continue the trail.

[9:48:44 AM](#)

Vice-Chair Stoltze MOVED to REPORT CSSB 216 (TRA) out of Committee with individual recommendations and the accompanying fiscal note. There being NO OBJECTION, it was so ordered.

CSSB 216 (TRA) was reported out of Committee with a "do pass" recommendation and fiscal note from the Department of Transportation and Public Facilities.

[9:49:40 AM](#)

#sb241

SENATE BILL NO. 241

"An Act relating to a report to the legislature on teacher preparation, retention, and recruitment by the Board of Regents of the University of Alaska."

SENATOR GARY STEVENS, SPONSOR, described the bill as the result of recommendations made by the Joint Legislative Education Funding Task Force. The bill recognizes difficulty in Alaska training, recruiting, and retaining teachers. The bill requires a report from the University of Alaska regarding teacher workforce development and training; specifically the recruiting, training, and retaining of public school teachers. The bill requires that the report be presented to the House and Senate education committees on the 30th legislative day of each session; after 2013 the report will be every two years. He felt the provision sends a clear message that the legislature wants the University of Alaska and the Board of Regents to address the teacher shortage.

[9:51:47 AM](#)

Representative Gara recommended moving the bill out of committee.

Representative Hawker pointed out that CS SB 241(HES) is accompanied by a letter of intent from the chair of the Health, Education, and Social Services Committee and a zero fiscal note. He further noted that the sponsor is in agreement with the changes made in the House Health, Education, and Social Services Committee.

Representative Hawker MOVED to REPORT CSSB 241 (HES) out of Committee with individual recommendations, the accompanying fiscal note, and letter of intent from the House Health and Social Services Committee. There being NO OBJECTION, it was so ordered.

CSSB 241 (HES) was reported out of Committee with a "do pass" recommendation, a zero fiscal note from the University of Alaska, and a letter of intent from the House Health, Education, and Social Services Committee.

#

ADJOURNMENT

The meeting was adjourned at 9:54 AM.