

ALASKA STATE LEGISLATURE
HOUSE STATE AFFAIRS STANDING COMMITTEE

January 29, 2008
8:07 a.m.

MEMBERS PRESENT

Representative Bob Roses, Vice Chair
Representative John Coghill
Representative Kyle Johansen
Representative Craig Johnson
Representative Andrea Doll

MEMBERS ABSENT

Representative Bob Lynn, Chair
Representative Max Gruenberg

COMMITTEE CALENDAR

HOUSE BILL NO. 317

"An Act eliminating the limit on compassionate gifts that a legislator or legislative employee may solicit, accept, or receive under the Legislative Ethics Act; and providing for an effective date."

- MOVED HB 317 OUT OF COMMITTEE

HOUSE BILL NO. 293

"An Act relating to the location of the convening of the legislature in session and to the relocation of functions of state government; and providing for an effective date."

- HEARD AND HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 317

SHORT TITLE: COMPASSIONATE GIFT EXEMPTION

SPONSOR(S): REPRESENTATIVE(S) COGHILL

01/15/08	(H)	READ THE FIRST TIME - REFERRALS
01/15/08	(H)	STA, JUD
01/29/08	(H)	STA AT 8:00 AM CAPITOL 106

BILL: HB 293

SHORT TITLE: LEGISLATIVE SESSIONS TO BE IN ANCHORAGE

SPONSOR(s): REPRESENTATIVE(s) MEYER, LYNN, NEUMAN, STOLTZE

01/04/08 (H) PREFILE RELEASED 1/4/08
01/15/08 (H) READ THE FIRST TIME - REFERRALS
01/15/08 (H) STA, FIN
01/24/08 (H) STA AT 8:00 AM CAPITOL 106
01/24/08 (H) <Bill Hearing Postponed>
01/29/08 (H) STA AT 8:00 AM CAPITOL 106

WITNESS REGISTER

JOYCE ANDERSON, Ethics Committee Administrator
Select Committee on Legislative Ethics
Legislative Agencies & Offices
Anchorage, Alaska

POSITION STATEMENT: Answered questions during the hearing on HB 317.

REPRESENTATIVE KEVIN MEYER
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Presented HB 293 as prime sponsor.

MIKE PAWLOWSKI, Staff
Representative Kevin Meyer
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Provided information during the hearing on HB 293, on behalf of Representative Meyer, prime sponsor.

DON WESTLUND
Ketchikan, Alaska

POSITION STATEMENT: Testified on behalf of himself during the hearing on HB 293.

STUART THOMPSON
Wasilla, Alaska

POSITION STATEMENT: Testified on behalf of himself during the hearing on HB 293.

WIN GRUENING, Chair
Alaska Committee
Juneau, Alaska

POSITION STATEMENT: Testified during the hearing on HB 293.

JIM DUNCAN
Anchorage, Alaska

POSITION STATEMENT: Testified on behalf of himself during the hearing on HB 293.

BRUCE BOTELHO, Mayor
Juneau, Alaska

POSITION STATEMENT: Testified during the hearing on HB 293.

KATHY MUNOZ
Juneau, Alaska

POSITION STATEMENT: Testified on behalf of herself during the hearing on HB 293.

ACTION NARRATIVE

VICE CHAIR BOB ROSES called the House State Affairs Standing Committee meeting to order at [8:07:01 AM](#). Representatives Coghill, Johnson, Doll, and Roses were present at the call to order. Representative Johansen arrived as the meeting was in progress.

HB 317-COMPASSIONATE GIFT EXEMPTION

[8:08:05 AM](#)

VICE CHAIR ROSES announced that the first order of business was HOUSE BILL NO. 317, "An Act eliminating the limit on compassionate gifts that a legislator or legislative employee may solicit, accept, or receive under the Legislative Ethics Act; and providing for an effective date."

[8:08:19 AM](#)

REPRESENTATIVE COGHILL introduced HB 317 as prime sponsor. He said the Select Committee on Legislative Ethics asked him to sponsor the proposed legislation, which would remove the limit from compassionate giving. He related that currently there is a legislative member who may not be able to receive a needed kidney donation, because the value of getting the organ would be over \$250 - the limit currently in statute. Representative Coghill explained that a kidney is priceless; therefore, the value in question is related to the cost of making the compassionate gift, including travel and medical costs. Representative Coghill paraphrased the last paragraph of the sponsor statement, which read [original punctuation provided]:

HB 317 eliminates the less than \$250 limit on compassionate gifts from AS 24.60.075(c) and allows

unlimited compassionate contributions, including organ and frequent flyer donations. Mandatory reporting of the compassionate fits is still required.

REPRESENTATIVE COGHILL said it had been suggested to him that a cap should be placed on the gift value. He stated, "If for some reason it's inordinate, you still have the Legislative Council who will be looking at it, and certainly if it gets way out of order [the Internal Revenue Service (IRS)] will be looking at it." He said the legislature anticipated the need for compassionate gifts, but the \$250 was "conforming to other areas."

[8:11:33 AM](#)

VICE CHAIR ROSES noted that there had been discussion in the Ethics Committee regarding the \$250 limit, and while some felt the limit was not necessary, others felt the need to close a loophole.

[8:12:10 AM](#)

REPRESENTATIVE JOHNSON said he had been concerned that the legislature not try to establish the value of a kidney, and he expressed appreciation that the bill sponsor had established for the record that indeed that is not what the bill is trying to do.

[8:13:11 AM](#)

JOYCE ANDERSON, Ethics Committee Administrator, Select Committee on Legislative Ethics, Legislative Agencies & Offices, confirmed Vice Chair Roses' remark regarding the concerns of the Ethics Committee. She relayed that she has received three or four phone calls regarding the donation of air miles. The \$250 cap limits the donation of air miles to Representative Foster to use for round trip travel to Seattle [for medical purposes]. She said Northwest Airlines assigned a value of \$100 for each 10,000 miles. Ms. Anderson said another concern was a fundraiser held in Nome, during which the Lion's Club raised \$7,000. There was no accounting of where the money came from, she said. She added, "And if there was [a] \$250 limit, we would have no idea, because the Lion's Club just had a chicken barbeque and so forth." She said she thinks the \$250 limit puts an unfair burden on the individual who is having the health-related problem, catastrophe, or tragedy, and that limit should be

lifted. She said the person should be required simply to report the dollar amount or air miles received.

MS. ANDERSON, in response to Vice Chair Roses, acknowledged the reporting requirement exists in the proposed legislation. The recipient would be required to report the gift within 30 days - the disclosure is public. It would not be published in the Legislative Journal; however, it would be posted on the Ethics website and listed with all the other disclosures. She added that there is some oversight provided, as well.

[8:15:31 AM](#)

REPRESENTATIVE JOHNSON stated that his only concern is the 30-day reporting period. He questioned whether that would be enough time for someone who is recovering from a potentially life-threatening disease, for example. He used Representative Foster as an example, commenting that he hopes the legislator's top priority when going for a live transplant would not be filling out a form, but rather getting well.

[8:16:42 AM](#)

MS. ANDERSON said the 30-day reporting requirement was included because that's what all the other deadlines are; it's a matter of consistency. Notwithstanding that, she said she can foresee no problem in amending that to a 60-day requirement or whatever the committee decides is realistic. She stated, "This is not the type of reporting that would be similar to, let's say, a gift of travel or some of those that need the 30-day reporting."

[8:17:17 AM](#)

REPRESENTATIVE JOHNSON asked what the response of the Ethics Committee would be if someone were late to report in this type of situation.

MS. ANDERSON answered that there is one "free" disclosure that comes in late. Furthermore, the Ethics Committee has the discretion to say that there were inadvertent circumstances regarding the disclosure, in which case, there would be no fine filed at all.

REPRESENTATIVE JOHNSON said he is comfortable knowing that the committee has that latitude.

[8:18:08 AM](#)

VICE CHAIR ROSES, speaking as a member of the Ethics Committee, said the group of people serving on that committee are compassionate, and "there isn't any way in the world anybody's going to be fined or be found in violation of the ethics laws under those kinds of circumstances."

[8:18:59 AM](#)

REPRESENTATIVE COGHILL said he is content to keep the reporting requirement at 30 days for the sake of consistency, given the latitude of the committee.

[8:19:37 AM](#)

VICE CHAIR ROSES, after ascertaining that there was no one else to testify, closed public testimony.

[8:19:43 AM](#)

REPRESENTATIVE COGHILL moved to report HB 317 out of committee with individual recommendations and the accompanying zero fiscal note. There being no objection, HB 317 was reported out of the House State Affairs Standing Committee.

The committee took an at-ease from [8:20:01 AM](#) to [8:22:01 AM](#).

HB 293-LEGISLATIVE SESSIONS TO BE IN ANCHORAGE

[8:22:03 AM](#)

VICE CHAIR ROSES announced that the last order of business was HOUSE BILL NO. 293, "An Act relating to the location of the convening of the legislature in session and to the relocation of functions of state government; and providing for an effective date."

[8:22:17 AM](#)

REPRESENTATIVE KEVIN MEYER, Alaska State Legislature, presented HB 293 as prime sponsor. He prefaced his remarks by expressing his appreciation of the people of Juneau, then explained that the proposed legislation is needed on behalf of the public. He said the issue is not new but needs to be revisited. He listed reasons: abbreviated session length and increased public interest in the goings on of the legislature. He said Juneau is secluded from the majority of the people who live in the state.

REPRESENTATIVE MEYER talked about the first special session held in Anchorage last fall, which he characterized not only as being successful, but also as being an eye-opener to the possibility of holding sessions in Anchorage. He noted that although the bill lists Anchorage as the place to move the legislature, other places within easy access of the majority of the public could be considered. He remarked upon the inconsistent weather in Juneau, which sometimes results in flyovers to other cities.

8:25:16 AM

REPRESENTATIVE MEYER said Anchorage is the logistical hub of Alaska and has a sufficient airport. He mentioned a poll conducted, in which sixty-two percent of the people polled said they want the legislature moved closer to the majority of the population. He said committee meetings that are held around the state during the interim are not the same as being in session. For example, no action is taken on legislation during interim. Representative Meyer spoke of Gavel to Gavel, a public television offering that covers the legislative session, but he said it is not the same as being present in the building. He remarked at how surprising it is that so many people don't have cable television.

REPRESENTATIVE MEYER said the cost of each session would be reduced by not having to fly so many legislators to Juneau. Although the bill does not propose where the sessions would be held - that decision would be left to Legislative Council - Representative Meyer noted that Anchorage has a new convention center, which has left the Eagan Center virtually empty.

8:27:41 AM

REPRESENTATIVE MEYER summarized the points in favor of moving the legislature out of Juneau: to restore the trust of the people; to improve accessibility; to save money for those members of the public who could drive to the legislature; to increase the number of people who would run for office; and to bring the legislature closer to more school kids.

REPRESENTATIVE MEYER stated that Alaskans have voted on this issue before, and it has passed, "but for one reason or another it's just never ... happened."

8:29:51 AM

REPRESENTATIVE DOLL asked Representative Meyer to explain why he chose to specify Anchorage in the bill, and if he would accept an amendment to consider other areas.

REPRESENTATIVE MEYER explained that he used Anchorage in the bill in order to get the legislation introduced, but that he would certainly accept an amendment to make it broader.

[8:31:04 AM](#)

REPRESENTATIVE DOLL cited AS 44.06.050, which read:

Sec. 44.06.050. Purpose of AS 44.06.050 - 44.06.060.
The purpose of AS 44.06.050 - 44.06.060 is to guarantee to the people their right to know and to approve in advance all costs of relocating the capital or the legislature; to insure that the people will have an opportunity to make an informed and objective decision on relocating the capital or the legislature with all pertinent data concerning the costs to the state; and to insure that the costs of relocating the capital or the legislature will not be incurred by the state without the approval of the electorate.

REPRESENTATIVE DOLL stated her understanding that HB 293 would repeal that statute. In response to Representative Meyer, she confirmed that the statute she cited was the result of the FRANK [Fiscally Responsible Alaskans Needing Knowledge Initiative of 1994].

REPRESENTATIVE MEYER confirmed that HB 293 would repeal that initiative.

[8:32:15 AM](#)

REPRESENTATIVE JOHANSEN said this issue is a difficult one for someone from Ketchikan. After 20 years of battling for Ketchikan's economy, he noted, there are a lot of residents there who would agree to legislation that would get back at Juneau for its lack of support during Ketchikan's struggles regarding its timber industry. However, in terms of the effect of the proposed bill on the good of the overall state, he said he has some problem with it. He commented that he was not impressed with the session held in Anchorage. He mentioned the handout in the committee packet that shows a history of ballot measures related to efforts to move the capital. In response to

Vice Chair Roses, he said he would wait to offer further comment.

8:34:11 AM

REPRESENTATIVE DOLL noted that she had just at that moment received a fiscal note for HB 293, and she remarked, "I think it's a little late to have this come on my desk for a bill of this importance." She asked the sponsor if he had conducted a study of how HB 293 would impact Juneau and Anchorage.

8:34:39 AM

REPRESENTATIVE MEYER said he also received the fiscal note late, the numbers of which he said can always be disputed. He said the state is fortunate because currently it has surplus money, which is why he said the time is right to move the legislature, because the state would not have to bond to cover the cost. He indicated that in the Office of Management & Budget's (OMB's) cost analysis, one expense shown is that of flying bureaucrats to testify before the legislature. He said it is backwards to cover that expense while making the public pay their own way. He said holding the legislature in Anchorage would bring it to the population center of Alaska. He pointed to the fiscal note prepared by [the Legislative Affairs Agency] and said he thinks it assumes that all the support staff would be moved to Anchorage. He stated, "We don't pay for staff to move to Juneau, so I'm not sure we would necessarily assume that we would have to pay all the costs to move the support staff up to ... Anchorage."

8:37:38 AM

REPRESENTATIVE DOLL clarified that her question is broader. She suggested that when the sponsor prepared the bill, he was probably thinking of the positive impact that it would have on Anchorage and perhaps considered the impact it would have on Southeast Alaska. She asked him if he prepared those figures and would share them with the committee.

REPRESENTATIVE MEYER replied, "I don't know what kind of positive impact, if any, this would have on Anchorage or the valley or wherever we ultimately ended up with this." He related that he has heard people say that HB 293 would hurt the economy in Juneau. He observed:

One thing that ... surprised me moving down here in Juneau is that this town, this city, was built on mining, ... and you have all sorts of opportunity for mining here, and yet it seems to be something that the folks don't want. So, I guess, in my opinion, you have other opportunities, other than the legislature here to strengthen and build your economy. And certainly you've done a great job on the cruise ships and expanding the tourism. But with us now only being here 90 days, I can't see that this would have a major impact on your economy.

[8:39:18 AM](#)

REPRESENTATIVE COGHILL expressed interest in seeing the details of the aforementioned poll that was conducted, including: what the question was, what the timing was, and what the demographics were. He noted that in one poll, about 70 percent of his constituents said they did not want Anchorage to have the legislature. He noted that his constituents are not so much considering whether the legislature should leave Juneau, but whether it should be in Anchorage.

REPRESENTATIVE MEYER responded, "As you know, every year we hire we hire Hellenthal & Associates to do questionnaires for the [House] Finance Committee to ... help us understand what the public wants and expects us as a body to get accomplished." He stated his understanding that all legislators received a copy of the survey conducted in 2007. He said the question was: "Do you think we should move the legislature - not the capital - to a location closer to the majority of the population and that is accessible by road?" Sixty-two percent of those polled answered yes. He reiterated that he would consider other locations, including Fairbanks, as long as they were within driving distance of the majority of the population of Alaska.

REPRESENTATIVE COGHILL noted that before the missile sight was installed in Delta, there was talk about using the base closure in Fort Greely. He said, "I don't know if we want it in Fairbanks."

[8:41:13 AM](#)

REPRESENTATIVE JOHANSEN said people are likely to say yes to something if the cost is not forbearing, and he asked Representative Meyer if any figures were made available to the public in the poll.

REPRESENTATIVE MEYER responded no. He said the purpose of the poll was to attempt to "get a feel for what the public wants."

[8:42:00 AM](#)

REPRESENTATIVE JOHNSON noted that there is an office building in Anchorage with an expiring lease, and there is a bill in the Senate which would have the State of Alaska partner with the Alaska Court System to tear the lot down and rebuild to include office space for approximately 30 legislators. He said there was discussion regarding potentially having committee rooms and other offices. He said all that could be done for considerably less money than leasing the Eagan Center, and it would mean the state owning its own building and "not taking anything off the tax roll." He asked the bill sponsor if he had considered the matter.

[8:43:17 AM](#)

REPRESENTATIVE MEYER answered no. He continued:

As you know that's being done by [Legislative] Council, and we didn't really want to interject the possibility of ... expanding that to the whole legislature until we knew this was actually going to pass. But certainly I think that could be incorporated in the plan, like we talked about. ... It's my understanding that right now they're just planning on that being our interim office space.

REPRESENTATIVE MEYER said the bill may look complicated, because Legislative Legal and Research Services had to make a lot of conforming language. He said Section 3 is really the only section that pertains to the primary change proposed through HB 293.

[8:44:30 AM](#)

MIKE PAWLOWSKI, Staff, Representative Kevin Meyer, Alaska State Legislature, noted that paragraph 4, on page 3 of the fiscal note provided by the Legislative Affairs Agency, [dated 1/28/2008], gives mention to the building space to which Representative Johnson had referred.

[8:44:58 AM](#)

REPRESENTATIVE JOHANSEN asked if there are other states that hold legislative sessions outside of their capitals.

MR. PAWLOWSKI answered no. In response to a follow-up question from Representative Johansen, he said he does not know the exact number of states that have their capitals located in their major population center, but he said he cannot think of too many that fit that criteria.

[8:46:06 AM](#)

REPRESENTATIVE MEYER said his home state of Nebraska has its capital in Lincoln.

[8:46:42 AM](#)

REPRESENTATIVE DOLL said Alaska has had to defend itself as a state with stability. She remarked on the many issues that need the attention of the legislature and the fact that the current session is scheduled for 90 days, and she asked Representative Meyer why he chose to push HB 293 through at this time.

[8:47:39 AM](#)

REPRESENTATIVE MEYER reiterated that the public has changed and is demanding to know what, how, and why things are being done. He said that is what motivated him to bring forward HB 293.

[8:48:27 AM](#)

REPRESENTATIVE JOHNSON, in response to Representative Johansen's recent questions, asked how many states have capitals with no roads leading to them. He added, "And I think we know the answer to that."

REPRESENTATIVE MEYER said, "All the capitals, except for maybe Hawaii, are all accessible by road." He related that he has been disappointed by the difficulty in getting a road built out of Juneau.

[8:49:35 AM](#)

REPRESENTATIVE JOHANSEN pointed out that Juneau is connected by the Alaska Marine Highway, which is recognized as a highway by the federal government.

[8:50:46 AM](#)

DON WESTLUND, said he takes offense at the sponsor's plan to take away his right to know how much it would cost to move the capital or the legislature. Referring to Representative Meyer's statement that the state has the money to move the legislature, Mr. Westlund recommended using that surplus money instead to increase the accessibility of Juneau by improving the Marine Highway System. He mentioned an article he read in which Anchorage was reported as saying that other communities are trying to acquire the state's crime lab, currently in Anchorage, and if they succeed, it would hurt the economy of Anchorage. Mr. Westlund pointed out that moving the legislature out of the capital would hurt Juneau's economy.

MR. WESTLUND, regarding the aforementioned survey, questioned whether those surveyed lived all across Alaska or if they were concentrated in the Anchorage, Matanuska-Susitna, Fairbanks area. He remarked that he did not see any pollsters in Ketchikan. Referring again to the surplus money, he said Ketchikan could "sure use our bridge down here, also." He noted that the last time an attempt was made to move the capital was November 5, 2002, through [Initiative Ballot Measure Number 1, entitled, "Moving Location of Legislative Session - 01CHGE"]. He said the vote on that ballot measure was 2:1 against it. He noted that that ballot measure would have repealed the FRANK Initiative, and it failed overwhelmingly.

MR. WESTLUND concluded:

You only have 90 days to do something. Why are we ... rehashing this ...? It's been through five, six times here, and it's failed every time except for one, and it says to move it to Willow. If you're going to move it, follow statute and move it Willow - not to Anchorage, not to Fairbanks, but to Willow.

[8:54:57 AM](#)

STUART THOMPSON, read his testimony [included in the committee packet] as follows:

Evaluating changing where the legislature convenes needs to focus on ethical adherence to representative government theory, not on hearsay and not on economic impacts. I'm prepared to give exhaustive testimony that Alaska government is using less than 40 percent of the principles, processes, and methods that are

Alaska's political heritage. Naturally, this makes it impossible to meet or difficult to meet expectations of responsiveness to public will, because Alaska doesn't possess the entire orthodox infrastructure to adequately harness public initiative and harvest public ideas for optimum government. Worse, many can't really describe what our full political heritage consists of.

Such ignorance is exposed by the assertion that physical proximity to lawmakers by the population's majority is essential to representative democracy - requiring moving the legislature to increase public access. This is propagandized as an "everybody knows" principle of how our government is supposed to work. Yet it is impossible to cite any exact passage of American or Alaskan founding writings that makes this idea legitimate. In reality, this principle is well documented as key to successfully controlling ill-educated populations by European monarchies - particularly in France.

Do you politicians perhaps - God forbid - believe that Alaskans are no longer politically mature enough for representative government and so must be ruled by the principles, processes, and devices of benevolent elected aristocracies? If not, why can't you legislate with explicit orthodox references cited? This bill shows none. Furthermore, why do Juneauites, despite their extraordinary access, currently pay legislative lobbyists to represent their interests? The answer lies in decades of public records of citizen testimony as a percentage of population for each civic area. ... You're missing such basic legislative homework.

For those still puzzled, consider the following: First, if lawmaker physical proximity to population majorities is so key to representative government, America would have moved Congress to St. Louis, Missouri, right after World War II. Second, why did America use military force to suppress potlatches by our native peoples for 80 years after Alaska's purchase? It's because potlatches successfully performed much the same political functions that Alaska's legislature is supposed to, despite then having no roads, planes, or ferries to travel over the

same distances that we have to now. Think about these things, you people of good will.

Finally, ... please find out why Alaska's Constitutional Convention delegates took time to discuss the light-hearted proposal of moving the legislative session to Dutch Harbor - yes, to the Aleutians. Good luck, people.

[8:58:22 AM](#)

WIN GRUENING, Chair, Alaska Committee, said the Alaska Committee is a nonprofit, volunteer group dedicated to improving and enhancing Juneau as Alaska's capital city. He said although citizens of the state have repeatedly voted down efforts to move the capital, the issue will probably never go away, and it is for that reason that the Alaska Committee was formed. He said the Alaska Committee addresses constituents' concerns about access to the capital, and its efforts have been the genesis of Gavel to Gavel coverage of the legislature, first on television and, later, streaming over the Internet. The committee is also responsible for: discounted constituent airfares, parking improvements, improved airport facilities, and capital improvements.

MR. GRUENING said the Alaska Committee knows that there are additional improvements that could be made that would make government even more accessible to constituents, at a far less cost than it would take to move an entire branch of state government, which is what HB 293 proposes to do. He stated that Juneau's commitment to being the capital goes back as far as the early Twentieth Century, when Juneau residents scraped together the money to purchase the land that the current capitol building sits on. Over 20 years ago, he related, Juneau contributed millions of dollars to help fund the purchase of additional land that was given to the state for the purpose of improving capital infrastructure. More recently, the community of Juneau has committed tens of millions of dollars to fund various initiatives, to improve access to the capital, which have funded the aforementioned improvements, as well as the donation of several buildings for use by the legislature.

MR. GRUENING, regarding physical access to the capital, said there is a poll that shows Juneau residents' support of road access to Juneau by a margin of at least 2:1. He stated that the Alaska Committee has consistently endorsed the Lynn Canal Highway project that would provide road access to Juneau from

the north. He said the road would "dramatically reduce user costs, increase capacity, save the state money, and allow [the] Alaska Marine Highway System to more sufficiently use their resources throughout Southeast." He reported that the committee expects to see the Corps of Engineer permit approved within the next two weeks, which is the final permit for that project.

MR. GRUENING said, however, that the Alaska Committee believes technology remains the most efficient and least expensive means to giving constituents access to the legislature. He said, "This is why Gavel to Gavel coverage will always be our flagship program here in the capital." He noted that approximately 60 percent of the \$.5 million budget for [Gavel to Gavel] is supported by the community of Juneau, either through direct financial support or by in-kind contributions from Juneau's local public broadcasting station, and the balance comes from private sources. No part of the program is paid for by state money, he specified. Gavel to Gavel is accessible to virtually every single resident in the state of Alaska. He reported that in a survey done this month across the state, almost 50 percent of respondents indicated that they were familiar with Gavel to Gavel, and 26 percent said that they watch it. This year, he said, those numbers will increase with the launch of "360 North," which will take Gavel to Gavel year-round and allow coverage of important events occurring in cities other than Juneau, such as meetings of the permanent fund corporation board, the Board of Regents in the University of Alaska, the Alaska Supreme Court, and similar events. He stated, "Being able to springboard off the success of Gavel to Gavel will allow far more people from all over the state to see events no matter where they are, and [in] far more numbers than they could or would actually attend in person."

MR. GRUENING said the Alaska Committee hopes to expand legislative coverage even more by video streaming all committee hearings, which would allow anyone to attend a hearing, regardless of his/her geographic location, from the comfort of his/her home, office, or school. This would require installation of fixed cameras in committee rooms, which he said has proved to be quite successful in other states. Mr. Gruening said this would provide tremendous opportunities across the state for more outreach and participation in government. He pointed out, for example, that this project could help schools to teach civics in the classroom. He noted that the Alaska Committee has begun discussion of funding and design of a curriculum that would allow [the legislative process] to be

taught in local schools, in conjunction with live coverage of the Alaska State Legislature.

MR. GRUENING stated, "Ultimately, all HB 293 would do is economically benefit one region of the state, at the expense of impoverishing another. He said since no other state in the union divides its government in this way, there is no doubt that it will ultimately lead to the movement of the entire capital." He concluded:

Alaska has so many challenges facing it today, it makes no sense to spend time and money on an issue this divisive and controversial when technology can achieve greater access at a fraction of the cost. ... I would hope that you would hold this bill and instead consider less expensive alternatives available to you that will accomplish far more.

[9:04:54 AM](#)

MR. GRUENING, in response to a question from Representative Johansen about the intentions of Juneau regarding the building of a new capitol, acknowledged that the previous attempt a couple years ago was not successful. Mr. Gruening characterized forward-moving steps in technology as being most important. He said facilities will always remain important, and the Alaska Committee has considered ways to expand the existing capitol. He listed some examples. He said those efforts will continue; however, the focus will be on technology, because, ultimately, whatever facilities there are will need to incorporate technology in order to increase access to constituents across the state.

[9:07:36 AM](#)

JIM DUNCAN specified that although he is a former legislator who served for 24 years, he is testifying on behalf of himself. Mr. Duncan reviewed that in the primary election, August 1974, there was a vote on whether to move the capital and it passed. Subsequently, the capital was not moved because of the requirement of the FRANK [Frustrated Alaskans Needing Knowledge Initiative of 1978]. He said it seemed like this issue was something he addressed as a legislator, "every day of every session, every year." He said it is an issue that won't go away, and - although it should be - never seems to get resolved.

MR. DUNCAN stated that the reasons given for the necessity of the proposed legislation - seclusion, isolation, lack of access, and the ability to influence the process by the citizens of the state - are the same reasons that were given in 1974. Back then he said, those reasons may have been a lot more valid than they are today, because tremendous progress has been made since that time, and continues to be made. For example, he listed: the capacity for constituents to participate by teleconference through the Legislative Information Office (LIO); the Gavel to Gavel coverage; the Global Positioning System (GPS) installed by Alaska Airlines to better access Juneau - the first airport in the nation to get GPS; and constituent fares.

MR. DUNCAN, regarding the argument that moving the legislature will enable the public to influence the political process, stated that the process will not change by relocating the legislature. He said the special interest groups will have the same access to legislators in Anchorage as they do in Juneau, and decision-making will not be any different or better. Location does not change the legislature, he proffered.

[9:12:20 AM](#)

MR. DUNCAN surmised that the legislation now proposes to move the legislature instead of proposing to move the capital in an effort to quell the fears of Juneau that it is going to lose the capital and be negatively impacted economically. However, Mr. Duncan said the effect will be the same. He said his experience shows that there would be a natural erosion of positions out of Juneau if the legislature were moved out of the capital. He added that it has happened and continues to happen. Furthermore, he said if the legislature is not in Juneau, many policy-level jobs would move with the legislature and would do so "on a year-round basis." He warned that if the legislature is moved, what will be left are: an empty capitol building, empty state offices buildings, an empty governor's mansion, and many empty private residences.

MR. DUNCAN said he likes the fact that Alaskans over the years have come together to work to protect the economy of the state; they don't come together to destroy any one region of the state or to take away its economic base. For example, there was a time when a proposal was made to reduce the number of military personnel in Fairbanks - which would have had serious negative impacts on that community - and Alaskans banded together from all over the state to oppose that reduction. He offered other examples. He said, "You cannot ... let one area of the state's

economy be destroyed without doing something to support it." Mr. Duncan said it makes him proud that Alaskans act in this manner. He said he thinks that is why Alaskans have voted against moving the capital in the past when they have been told how much it will cost and what the impact would be on Juneau and Southeast Alaska as a whole. He stated his belief that they will say no again. He expressed concern that the bill would repeal the FRANK Initiative - the right of the public to know what the cost of relocating the legislature would be.

MR. DUNCAN, in conclusion, stated that although he no longer lives in Juneau due to work, he considers Juneau his home, and it is where his children, his grandchildren, his wife's family, and his heart are, and he will be coming back to Juneau. He stated his belief that the legislature and the Alaska public will recognize, in the final analysis, that it is neither appropriate nor good public policy to relocate the legislative branch of government, which would destroy the economy of Juneau and of Southeast Alaska.

[9:17:44 AM](#)

BRUCE BOTELHO, Mayor, noted that this year Alaska begins its celebration of its fiftieth anniversary of statehood. He said he thinks it is a time for Alaskans to consider what is essential for the state, as a political entity, to achieve progress and well-being for all Alaskans. He observed, "Long before the airplane and automobile, and only shortly after the invention of the telephone, all states that had achieved statehood had settled the question of where their capital should be located" He said although HB 293 is written as a proposal to move the legislature, it really is a move of the capital itself.

MAYOR BOTELHO stated that there is some irony that in the eight votes that have taken place on the question of a state capital, the only one that passed occurred before several of the younger members of the current legislative body were born, almost 34 years ago. Furthermore, as Mr. Westlund had noted, the last time there was a vote to decide whether the legislature should be seated elsewhere than in Juneau, the voters rejected the proposition, 74,650 in favor versus 153,127 opposed.

MAYOR BOTELHO said he thinks there are four reasons why HB 293 should not become law: First, as Mr. Duncan said, moving the legislature is the first phase of a capital move. There is no precedence in the U.S. for assigning the legislature to meet for

regular sessions outside the state capital, nor for separating the legislature from the chief executive. The reasons, he explained, are manifest. He said, philosophically, Alaska's constitutional system of government relies on constant interaction between the political branches of government, and that interaction should not be needlessly impaired by dividing the branches. Second, moving the legislature disrupts the geographical and political balance in the state. He related his sense that one of the core values of the federal republic and of the state has been the belief that the best government is reflected in the diffusion rather than the concentration of power. At the federal level, he noted, that has been reflected in the doctrine of separation of powers between branches and the allocation of powers between the states and the fellow government. It was one of the central points of contention in the selection of the national capital, he said, to ensure that the center of governmental power was not colocated with the center of commerce.

MAYOR BOTELHO said Alaska's state constitutional founders recognized the importance of dispersion of power, as was first reflected in the Senate being regionally divided without regard to population - a matter which was later overturned in a U.S. Supreme Court decision. However, at the time, the framers of the constitution also appreciated and provided for that dispersion by centering the University of Alaska in Fairbanks, since Anchorage was the commercial center, and Juneau was the seat of government. Mayor Botelho summarized the second point as follows: "The fundamental risk of consolidation is that public policy in Alaska would be shaped largely through the prism of one single geographic area."

[9:22:32 AM](#)

MAYOR BOTELHO moved to his third point, which was that moving the legislature would devastate a region of Alaska, with a ripple effect throughout the state. He said Southeast Alaska's communities are highly integrated, and the loss of a capital, beginning with the loss of the legislature, would have major negative consequences on the whole region. The obvious losses, he noted, would include the loss of payroll, contributing members of the community, adverse impacts on housing and private sector businesses - particularly those businesses that seasonally rely on the legislative session, and transportation within the region. He said there are three reasons that Anchorage and other areas outside the region should be concerned about this issue. First, he said he thinks an economically

healthy Southeast Alaska benefits Anchorage, because there is a lot of commerce that takes place, particularly in the way of professional services from Anchorage into Southeast Alaska, and those services are predicated upon a level of economic activity that takes place in Southeast Alaska. Conversely, an anemic region, which will seek state support, will work to the detriment of other areas in the state. He opined that the state should not allow any part of itself to build its future at the expense of another part.

MAYOR BOTELHO said the fourth point is that moving the legislature is unnecessary. He said he thinks Mr. Gruening's prior testimony highlights the major reasons for that argument. He stated:

Eight years into the Twenty-first Century, and well into the Internet Age, we have [unprecedented] access to Alaska's legislators. We have multiple ways to effectively communicate our views during and between legislative [sessions]. Voting citizens, as well as our future voters - that is the school children of this state - whether they live in Ketchikan or Barrow or ... points in between, can be intensely involved in and learning about the legislative process in ways that were not even dreamed of at statehood.

MAYOR BOTELHO urged the committee not to move forward with HB 293.

[9:25:40 AM](#)

REPRESENTATIVE COGHILL noted that a recent attempt had been made to consider [architectural plans for a new capitol building], but that did not go as planned. He asked, "Is there a thought in your mind of bringing another iteration of that?"

MAYOR BOTELHO replied that it is his view that a new capitol structure should never be "off the table"; however, he said there are issues regarding timing. He said there were adverse reactions from the public to the final design concepts offered by internationally recognized architects, because those concepts did not reflect the taste of Alaskans. He said the result was a lessened enthusiasm of the governor and the legislature for such a plan. Mayor Botelho said it is difficult to move forward with a proposal for a new capitol without the enthusiastic support of the executive branch. Although no active efforts are being made

currently, building a new capitol is an issue he said he thinks the community will continue to consider.

[9:27:49 AM](#)

KATHY MUNOZ said she is a lifelong Alaskan who has operated a business in Juneau for the past 18 years, as well as having served previously on the City & Bureau of Juneau Assembly for seven years. Ms. Munoz noted that in 2009, Alaskans will celebrate their Fiftieth anniversary of statehood. On February 5, 1956, citizen delegates adopted the constitution for the future state of Alaska. Ms. Munoz said that document is cherished for its clarity, and it establishes the basic parameters of government, including the legislative, executive, and judiciary branches. She said Article 15, Section 20 [of the Constitution of the State of Alaska], states that the capital of Alaska shall be Juneau.

MS. CASHEN opined that it is wrong to focus on efforts that pit one region against another and cause economic turmoil for some, including the devaluation of homes, the loss of jobs, and fear regarding the future. She questioned why, with only 90 days to accomplish enormous tasks that stand to unite Alaskans, the legislature would focus only on the politics of division. She urged the committee to work towards bringing Alaskans together and to vote no on HB 293.

[9:30:10 AM](#)

VICE CHAIR ROSES, after ascertaining that there was no one else to testify, closed public testimony.

[9:30:26 AM](#)

REPRESENTATIVE DOLL thanked everyone for weighing in on the issue, and she acknowledged the tremendous support from Juneau. She remarked that the founding fathers who wrote the Constitution of the State of Alaska must have been challenged in trying to figure out how to unify such a huge state, with its diversity of culture and language, and with very little infrastructure. She said she thinks the issue came down to the basic principle of looking after one another, and she thinks that extends regionally and throughout the state. She talked about the neighborly attitude of Alaskans. She emphasized the importance of thinking of Alaska as one whole state.

[9:32:42 AM](#)

REPRESENTATIVE DOLL related that she was not born in Alaska. She said that in all the states in which she has lived, one common factor was a great love of the capital. The capitals became the symbol of the whole state, and those symbols were expressed within those capitals. She stated that she has always been amazed by "the lack of love from outside of Juneau for this capital." She said she has witnessed the begrudging of putting in a good ferry system, of putting money into the road system, and of fixing public buildings. She asked the committee to say no to HB 293, on behalf of the state.

[9:34:22 AM](#)

REPRESENTATIVE COGHILL stated that his feelings are divided on the issue. He talked about being in Juneau since his dad was in the legislature and loving the community. However, he said that if his wife stays near their grandchildren, it means she does not stay with him during session, which creates tension. He stated his agreement with the bill sponsor that there are people who will not serve in the legislature who could do so if the legislature were located in a more centralized area. Representative Coghill gave kudos to Juneau for its efforts to offer housing and services for legislators. He acknowledged Juneau's historic place in Alaska, both as a dignified seat of government and through its connection of the Southeastern Rainforest with the Arctic Northwest. Notwithstanding that, he said the issue of who is able to serve in the legislature becomes big.

[9:36:42 AM](#)

REPRESENTATIVE COGHILL expressed appreciation for Gavel to Gavel and internet access; however, he said using those methods of communication cannot compare to sitting across the table from his wife. He said, "Having the legislature in Juneau creates the problem of ... having ... an unintended tax on individuals in Alaska who want to be able to be face to face with their legislator when they're making the policy calls." He remarked that although he uses his office in his district, if he wants to spend time with his constituents, he does so outside of his office, face to face. He talked about the isolation of Juneau, and the tendency by some of his constituents to call legislators in Juneau, "you guys down there." He said he doesn't know if that would change if the legislature were to meet in Anchorage.

[9:39:28 AM](#)

REPRESENTATIVE COGHILL said, for example, finding a quorum in Anchorage may be more difficult, because people can get away on the highway system more easily. He related that he has been a personal advocate of moving the capital out of Juneau. He mentioned impoverishing Juneau, and said, "The hurdle has to be very, very high to get there." He said most people who decide to run don't make where the capital is a sticking point. He concurred that if the legislative body were to move out of Juneau, there will be erosion. In fact, he said, that has already happened: commissioners are doing a lot of their work in the economic center of Alaska, and the Alaska Supreme Court does not seat in Juneau.

REPRESENTATIVE COGHILL said his first reaction to bill was favorable, but he remarked that the proposed legislation still hasn't "passed the hurdles I would like." He concluded that in his district, "The reason people give for moving the capital are all the reasons I've given, but the reason for not moving it is they don't want Anchorage to have it." He added that if there is any knowledge of people not running for the legislature because it is too difficult for them to get to Juneau, he needs to be informed of it.

[9:42:07 AM](#)

REPRESENTATIVE JOHNSON stated his support of HB 293. He said there was a map made in approximately the 30s or 40s, which shows a future view of Alaska, depicting roads to Ketchikan, to Juneau, and a railroad all the way to Canada. He remarked that that is the vision of Alaska that the framers of the constitution had, but that is not the picture that exists today. He said, therefore, that he doesn't agree with the idea that the framer's of the constitution decided that the capital would be someplace where it would be isolated.

REPRESENTATIVE JOHNSON mentioned "capital creep." He said the reason for it is that certain administrations have had difficulty getting commissioners to serve who are willing to move to Juneau. He said he will get examples to Representative Coghill showing the names of those who chose not to run for the legislature [because of its location]. He stated that he thinks the cost estimated in the FRANK Initiative was inflated. The most compelling reason to support HB 293, he said, is for his constituents who ask first about the pipeline, followed second by the question of when the capital will move.

9:47:06 AM

REPRESENTATIVE JOHANSEN thanked the citizens from Ketchikan and Juneau for their testimony. He said former Representative Joe Green brought this issue up the first time, and he likened having to hear it again to Chinese torture. He named the representatives who have carried this issue in the past. He said he understands where they are coming from and the frustrations regarding the limited access to the capital, but he thinks Juneau has done a marvelous job addressing those issues. He stated that for him the issue is a matter of the region's economy. Referring to the sponsor's suggestion that Juneau could make its living mining, he noted that 90 percent of Southeast Alaska is comprised of federal lands, and thus, it is extremely difficult to get a permit to mine. Representative Johansen stated that it is not so easy to replace an economy in Southeast Alaska. He emphasized his wish to have a full committee present before attempting to move the bill out of committee.

9:50:14 AM

VICE CHAIR ROSES concurred that the bill should be held as a courtesy to Chair Lynn and Representative Gruenberg, who are out sick. He said he chose not to run for office in the '70s because he did not want to uproot his family; however, he pointed out that if the capital were to move to Anchorage, Alaska, people from Juneau would have to be uprooted. He said he knows several people in his community who would be wonderful representatives, but have chosen never to run, simply because they do not want to face the difficulty of being as far away from their families as they would have to be.

VICE CHAIR ROSES said one question asked by a couple of testifiers was, "Why now?" He said he thinks one of the reasons has to do with the recent problems with ethics. He said he has heard numerous times and read in the press that one of the reasons for the recent ethical problems within the legislature has to do with legislators being isolated, and thus it would behoove the legislature to be closer to the population. He said he does not happen to believe in that, because people will be ethical or unethical no matter where they are.

VICE CHAIR ROSES said he made only three trips out of Juneau during his first session last year, and of those three, two of the flights ended up in another city besides Juneau [due to weather]. Access is difficult, he said.

[9:53:42 AM](#)

VICE CHAIR ROSES mentioned the special session that was held in Anchorage. He noted that he lives in a relatively low-income area of Anchorage, which is also the most densely populated district in the state. Last year, he said, two of his constituents came to Juneau on a trip paid for by other agencies. During the one-day session last fall, 11 of his constituents showed up, and he said they did so because they could drive or take the city bus to get there. He said that is a significant difference in representation, especially for those in low-income areas that don't have access to Internet, don't have computers, and certainly don't have the money to fly. He stated that he thinks access is a big issue. That said, he related that he understands the impact on the economics of Juneau that moving the legislature would have.

[9:56:25 AM](#)

VICE CHAIR ROSES announced that HB 293 was heard and held.

ADJOURNMENT

There being no further business before the committee, the House State Affairs Standing Committee meeting was adjourned at [9:56:29 AM](#).