

ALASKA STATE LEGISLATURE
HOUSE STATE AFFAIRS STANDING COMMITTEE

March 6, 2008

8:11 a.m.

MEMBERS PRESENT

Representative Bob Roses, Vice Chair
Representative Kyle Johansen
Representative Craig Johnson
Representative Andrea Doll
Representative Max Gruenberg

MEMBERS ABSENT

Representative Bob Lynn, Chair
Representative John Coghill

COMMITTEE CALENDAR

HOUSE BILL NO. 353

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

- HEARD AND HELD

HOUSE CONCURRENT RESOLUTION NO. 20

Encouraging the installation of fire sprinkler systems in residences.

- MOVED CSHCR 20(STA) OUT OF COMMITTEE

HOUSE BILL NO. 406

"An Act relating to a requirement for competitive bidding on contracts for the preparation of election ballots."

- HEARD AND HELD

HOUSE BILL NO. 396

"An Act relating to and increasing the amount of the 2008 permanent fund dividend; and providing for an effective date."

- SCHEDULED BUT NOT HEARD

HOUSE BILL NO. 261

"An Act establishing a clean elections program in the state."

- SCHEDULED BUT NOT HEARD

PREVIOUS COMMITTEE ACTION

BILL: HB 353

SHORT TITLE: PUBLIC LIBRARY INTERNET FILTERS

SPONSOR(s): REPRESENTATIVE(s) KELLER

02/06/08	(H)	READ THE FIRST TIME - REFERRALS
02/06/08	(H)	STA, FIN
02/28/08	(H)	STA AT 8:00 AM CAPITOL 106
02/28/08	(H)	Heard & Held
02/28/08	(H)	MINUTE(STA)
03/04/08	(H)	STA AT 8:00 AM CAPITOL 106
03/04/08	(H)	Heard & Held
03/04/08	(H)	MINUTE(STA)
03/06/08	(H)	STA AT 8:00 AM CAPITOL 106

BILL: HCR 20

SHORT TITLE: RESIDENTIAL FIRE SPRINKLER SYSTEMS

SPONSOR(s): REPRESENTATIVE(s) SEATON

01/31/08	(H)	READ THE FIRST TIME - REFERRALS
01/31/08	(H)	L&C, STA
02/27/08	(H)	L&C AT 3:00 PM CAPITOL 17
02/27/08	(H)	Moved Out of Committee
02/27/08	(H)	MINUTE(L&C)
02/29/08	(H)	L&C RPT 2DP 2NR
02/29/08	(H)	DP: BUCH, GATTO
02/29/08	(H)	NR: GARDNER, NEUMAN
03/04/08	(H)	STA AT 8:00 AM CAPITOL 106
03/04/08	(H)	Scheduled But Not Heard
03/06/08	(H)	STA AT 8:00 AM CAPITOL 106

BILL: HB 406

SHORT TITLE: CONTRACTS FOR PREPARATION OF BALLOTS

SPONSOR(s): REPRESENTATIVE(s) FAIRCLOUGH

02/19/08	(H)	READ THE FIRST TIME - REFERRALS
02/19/08	(H)	STA, FIN
03/04/08	(H)	STA AT 8:00 AM CAPITOL 106
03/04/08	(H)	Scheduled But Not Heard
03/06/08	(H)	STA AT 8:00 AM CAPITOL 106

WITNESS REGISTER

REPRESENTATIVE WES KELLER

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: As sponsor of HB 353, noted the change made in Version M.

BARBARA BERG, Director
Juneau Public Libraries
Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on HB 353.

REPRESENTATIVE PAUL SEATON
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Presented HCR 20 as prime sponsor.

KELLY NIKALOLO, Assistant Fire Marshal
Division of Fire and Life Safety
Central Office
Department of Public Safety (DPS)
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HCR 20.

ERNIE MISEWICZ, Fire Marshal
Fairbanks Fire Department
Fairbanks, Alaska

POSITION STATEMENT: Testified in support of HCR 20.

GREY MITCHELL, Director
Labor Standards and Safety
Department of Labor and Workforce Development
Juneau, Alaska

POSITION STATEMENT: Offered information during the hearing on HCR 20.

RENEE LIMOGE, Staff
Representative Anna Fairclough
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Introduced HB 406 on behalf of Representative Fairclough, prime sponsor.

KERRY NOBLIN
Peninsula Printing
Soldotna, Alaska

POSITION STATEMENT: Testified in support of HB 406.

PATRICK FOSTER

A.T. Publishing and Printing
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 406.

GAIL FENUMIAI, Director
Central Office
Division of Elections
Office of the Lieutenant Governor
Juneau, Alaska

POSITION STATEMENT: Explained how HB 406 would impact the division's business practices.

VERN JONES, Chief Procurement Officer
Central Office
Division of General Services
Department of Administration
Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on HB 406.

JASON HOOLEY, Special Assistant/Legislature
Office of the Lieutenant Governor
Juneau, Alaska

POSITION STATEMENT: Testified regarding the practical aspects of HB 406.

ACTION NARRATIVE

VICE CHAIR BOB ROSES called the House State Affairs Standing Committee meeting to order at [8:10:59 AM](#). Representatives Johansen, Johnson, Gruenberg, Doll, and Roses were present at the call to order.

[8:12:13 AM](#)

HB 353-PUBLIC LIBRARY INTERNET FILTERS

VICE CHAIR ROSES announced that the first order of business was HOUSE BILL NO. 353, "An Act relating to the blocking of certain Internet sites at public libraries and to library assistance grants."

[8:12:35 AM](#)

REPRESENTATIVE GRUENBERG moved to adopt the proposed committee substitute (CS), Version 25-LS1356\M, Bannister, 3/5/08, as a

work draft. There being no objection, Version M was before the committee.

[8:13:38 AM](#)

REPRESENTATIVE WES KELLER, Alaska State Legislature, as sponsor of HB 353, said the change made in Version M was the exemption of the university libraries from the proposed required Internet filters. He said he supports Version M. In response to a request for information pertaining to the cost of the filtering system, made by Representative Doll at the last bill hearing, he said the commissioner of the Department of Administration [Annette Kreitzer] has committed to researching cost comparisons and looking into the possibility of a group license, and has said she would send someone to testify before the next committee of referral. In response to a question from Vice Chair Roses, he said Ms. Kreitzer did not indicate how long it would take to compile that information; however, he guaranteed that the information would accompany the bill into the next committee of referral.

[8:16:55 AM](#)

BARBARA BERG, Director, Juneau Public Libraries, addressed a misconception she heard at a prior bill hearing that if an application was not made for the federal E-rate, then the state would have to pick up the cost. She explained that the federal E-rate is a reimbursement and discount program. A library applies for the discount, based on the services it is receiving, and the Internet service provider (ISP) or telecommunications provider is the one that gets the payment from the federal government. The ISP or telecommunications provider passes that on to the library either in the form of a discounted bill or by requiring the library to apply in July after the end of the fiscal year, and not reimbursing the library until fall. She said there really is not a way that E-rate funding can ever displace state budgeted funding, because the state budgeted funding is something for which libraries can plan in their budgets and use for operations. Ms. Berg said when she prepares her budget, she budgets for the full telephone cost, as if the E-rate did not exist, in order to guarantee bills will be paid when they arrive.

[8:18:25 AM](#)

MS. BERG said there had also been a statement made that libraries that did not filter the Internet were out of

compliance with CIPA. She stated that the provision in the FCC ruling that implemented CIPA was that if libraries did not accept funding for Internet service, they were not obligated to filter under CIPA; they would not be out of compliance with CIPA, because CIPA would not apply to them. She said, "It was a community decision that we not filter." She said that decision comes about for libraries, not just because of the cost, but also because the E-rate program is a complicated program for which to apply and to which to comply. She added, "It makes filing your income taxes look like a walk in the park." She said she has one librarian who spends weeks every year trying to comply with the telecommunications application process. She stated that many of the small libraries operating only on the state grant have no technical staff and don't have the ability to spend weeks doing a total of [four] filings with the federal government annually in order to get this money. Furthermore, the level of complication rises "when you go for the Internet funding." She offered further details. She concluded:

MS. BERG said at some point the discount the library gets is not worth the staff hours. She said the Juneau Public Library increased its Internet bandwidth last year and finds that the discounts that Alaska Communications Systems, Inc. (ACS) and General Communications Incorporated provide are greater than the discount the library would receive from the federal program. She concluded, "So, as a responsible administrator, I cannot waste my city's money doing something that has no return, and I think a lot of libraries are in that same situation."

[8:21:07 AM](#)

REPRESENTATIVE GRUENBERG urged members to look at Ms. Berg's handout. He said he is troubled by [the information on the handout] and urged "the committee or some other to take up these subjects that you mentioned."

MS. BERG, in response to a remark from Representative Gruenberg, said she does not remember what the authorizing legislation for the E-rate subsidies is, but she would provide that information later. She continued:

The universal service fund was set up - we all pay into it when we pay our telephone bills. And ... for years they had an offset for rural areas for telecommunications, for telephone connections, so that rural areas could get on telephone, and it was extended under the universal service fund to cover

Internet connection, as well, for schools and public libraries. And the universities have never been covered by this funding.

REPRESENTATIVE GRUENBERG asked if ISPs and telecommunication companies are required under federal law to pass on the discounted rate to libraries.

MS. BERG answered, "If they receive the payment under the universal service fund, they are obligated to reimburse the discounted portion of the bill."

REPRESENTATIVE GRUENBERG asked, "Must they do that immediately, or can they [make] significantly delays in receiving that fund?"

MS. BERG answered, "They can make significant delays in receiving it. In fact, one year ... there was a dispute in Congress as to whether they were going to authorize the funding or not, and our application process was held up, and it was unclear as to how much would be funded or if it would be funded."

REPRESENTATIVE GRUENBERG cited a sentence from Ms. Berg's handout, which read: "In all-volunteer libraries, the administrative burden of complying with E-rate and CIPA can make it impossible to apply for these funds." He asked, "So, really, it is meaningless in some cases, and in that case the companies keep this extra money they receive, right?"

MS. BERG responded that because she does not understand the vendor's side of the operation, she probably should not make a statement. However, she surmised that "they have to go through an application and justification process to show who they're giving a discount to." She said Representative Gruenberg would have to ask someone from ACS or GCI "how it works on their end."

REPRESENTATIVE GRUENBERG reiterated his concern regarding Ms. Berg's written information.

[8:24:23 AM](#)

REPRESENTATIVE DOLL asked how local control is measured and put into effect.

MS. BERG replied that Juneau is unique, in that it has no formal library board, but instead is authorized in the city charter; therefore, Ms. Berg said, she answers to the city manager. She

said she discusses major decisions, such as whether or not to filter the Internet, with the Friends of the Juneau Library; however, that board is more of an informal advisory board than a governing board, and its membership is drawn from "anybody who's interested in the libraries." If there are complaints or problems, the library manager hears about them and they are heard before the Juneau Assembly.

[8:26:00 AM](#)

REPRESENTATIVE GRUENBERG offered his understanding that there is a document by the Brennan Center for Justice at New York University School of Law which presents both sides of the issue related to HB 353.

[8:26:41 AM](#)

VICE CHAIR ROSES announced that HB 353 was heard and held.

HCR 20-RESIDENTIAL FIRE SPRINKLER SYSTEMS

[8:27:06 AM](#)

VICE CHAIR ROSES announced that the next order of business was HOUSE CONCURRENT RESOLUTION NO. 20, Encouraging the installation of fire sprinkler systems in residences.

[8:27:31 AM](#)

REPRESENTATIVE PAUL SEATON, Alaska State Legislature, presented HCR 20 as prime sponsor. He said each year in Homer [the fire department] holds training sessions for the community to teach fire safety. Representative Seaton described the experience he had at one of the training sessions, during which he and others stood in a trailer to witness a fire purposely started at the other end of the trailer and doused by an automatic residential sprinkler system. He said he was impressed by the demonstration, because while a commercial sprinkler system will not be set off before reaching 200-250 degrees Fahrenheit, the residential sprinkler system will activate at 135-155 degrees Fahrenheit. Furthermore, the residential sprinkler sends out mist, so it uses much less water than the commercial sprinklers.

REPRESENTATIVE SEATON said the availability of residential sprinklers gives Alaskans a great opportunity to protect against fire-related loss. He said sprinklers can be retrofitted in homes. He related that currently there are incentives available

for people who put sprinkler systems in their homes when they are built; however, those systems require the national standard of one-inch pipe and a coverage of 100 percent of the structure. Representative Seaton reported that almost all the fires that occur in Alaska in non-smoking households take place near the cooking area, fireplace, or boiler/furnace. He indicated that a sprinkler head can cover a 12-foot radius. He stated that the purpose of HCR 20 is to encourage the government and insurance companies to give a credit on homeowners' insurance for Alaskans who retrofit sprinklers in their homes to cover "the vulnerable parts of their home where most of the fires occur."

[8:32:53 AM](#)

REPRESENTATIVE GRUENBERG noted that "platinum, gold, and silver stars" are listed on page 1, line 14, [referring to the "various levels of sprinkler coverage"]. He asked if Representative Seaton would like an amendment to add the bronze star mentioned in a handout in the committee packet.

REPRESENTATIVE SEATON said the amendment is not necessary.

REPRESENTATIVE GRUENBERG stated his support of the resolution. He asked the sponsor if he would like language added to the bill which would require a progress report related to the fire marshal's compliance with the resolution, perhaps to be given after a year or two.

REPRESENTATIVE SEATON answered that he is comfortable with the resolution without a report requirement.

[8:34:39 AM](#)

[Following is a video from YouTube, called, "Residential sprinklers demonstration."]

[8:38:29 AM](#)

REPRESENTATIVE SEATON indicated that the residential sprinkler can be mounted directly onto overhead water line pipes, such as are found in furnace rooms.

[8:39:08 AM](#)

[Following is a video from YouTube, entitled, "Fresno Fire PSA - Fire Sprinkler."]

8:40:21 AM

REPRESENTATIVE SEATON noted that included in the committee packet is: a draft plan produced by the fire marshal in 2006, and a report showing that although [smoke detectors] are very important, fire sprinklers are actually what save lives. He noted that there were representatives from various fire departments available to testify, as well as the state fire marshal. He said the Department of Labor "does not even see a fiscal note attached with this," because any of the certifications necessary are already in place.

8:42:14 AM

KELLY NIKALOLO, Assistant Fire Marshal, Division of Fire and Life Safety, Central Office, Department of Public Safety (DPS), reported that according to the United States Fire Administration, in 2005, the United States suffered approximately 396,000 residential fires, which resulted in about 3,055 deaths. Those statistics, he said, do not account for emotional loss of loved ones and sentimental possessions. Mr. Nikalolo stated that even with [these statistics which show] an abysmal loss of life, there is still a "substantial resistance to requiring residential sprinklers in new construction today." Furthermore, he indicated that there would be no way to support such a requirement in Alaska. He said the Department of Public Safety finds the aforementioned statistics unacceptable. He stated, "It's incumbent upon us to value those properties that embrace the responsibility of their own safety and reward them for exercising uncommon sense and farsightedness."

MR. NIKALOLO said that as described in the proposed resolution, the fire marshal would recognize levels of fixed fire protection installed in single family dwellings through a program that would be called, "the Residential Safety Star Program." He explained that the fixed protection system would be installed by qualified installers, as permitted under 13 AAC 50.035, "or otherwise approved by the manufacturer in concurrence with the State Fire Marshal's Office."

MR. NIKALOLO stated:

We feel we need that change in culture. For too long our society has rewarded victim status to people who have fires occur in their homes. We risk firefighter and family member's lives to accidents and normal acts of carelessness. We reward those incidents with an

outpouring of compassion, positive affirmation, and financial assistance. Shouldn't we reward positive proactive outcome rather than rewarding negative results?

MR. NIKALOLO said HCR 20 would bring forth a voluntary, positive, individual approach to fire safety within Alaska's homes and would provide the means to reward families who invest to protect the security of their homes by installing residential fire sprinkler suppression systems.

[8:45:27 AM](#)

MR. NIKALOLO related a story wherein about 400 homes were built in the North Slope Borough in the early '90s, each home equipped with sprinkler heads. Since that time, there have been a couple instances where residents there have been inebriated and fell asleep while smoking, and woke up "wet but alive." Mr. Nikalolo said, "We look at that program as being kind of the keystone of what we're trying to accomplish here."

[8:46:19 AM](#)

REPRESENTATIVE JOHANSEN asked Mr. Nikalolo to clarify the meaning of the language on page 2, lines 11-13, which read:

BE IT RESOLVED that the Alaska State Legislature encourages the state fire marshal to formalize the model residential fire sprinkler system program as a statewide program;

[8:46:40 AM](#)

MR. NIKALOLO prefaced his answer by noting that he was not [in the department] in '96 "when this was first put forth." Notwithstanding that, he estimated that the language means that the legislature would, outside of bill form, give its blessing for the state marshal to go forward with the program. He said the program has no added cost or labor requirements. He said he looks at the language as "a nondescript statement," because "it doesn't direct anything, as far as program is concerned." He concluded, "I think it's just kind of lending the name and the power of the legislature in support of this." In response to a follow-up question from Representative Johansen, he said he thinks the reason the fire marshal would like the legislature's backing for a program that costs nothing is because that support will lend greater weight and increase public awareness.

8:49:09 AM

ERNIE MISEWICZ, Fire Marshal, Fairbanks Fire Department, testified in support of HCR 20. He indicated that the public views fires as something that happens to other people, and they do not give them much thought. Mr. Misewicz said he is a 34-year veteran of the fire service and has seen first hand the devastation caused by fire, has carried children and adults from fires who were either injured or killed, and has seen many lives turned upside down and people displaced due to fire.

MR. MISEWICZ stated that people believe that the fire department is there to protect them and "save the day," whereas in reality, the fire departments do not have the chance to win the battle with fire. He said, "With the rapid change in technology in the way that we build and furnish our home, fire now grows exponentially." He explained that living rooms are full of large quantities of flammable solids that cause fires to build so greatly. He relayed, "Fires now are reaching a point of flashover within less than two minutes from the start of the fire." Mr. Misewicz said great strides have been made toward requiring early detection in homes, but "we still lack the means to have that early intervention; the means to suppress these fires." He said fire departments strongly believe that residential sprinklers are the answer.

MR. MISEWICZ said builders have said they would put sprinklers in residences only if there would be an increase in the value of the home. He explained that construction costs are tight, and if the builder cannot have that extra cost of the sprinkler system realized in the bottom line, he/she is not going to install the sprinklers. He emphasized the need to encourage the installation of sprinkler systems in homes, as well as in commercial buildings throughout the entire state. He said this can be done in many ways: by changing building codes, through breaks in insurance rates, by increasing the value of property in which recognized sprinkler systems exist, and by recognizing the full appraisal value for the life of that property rather than just in the year in which it was installed. He said tax breaks alone are not enough to off-set the cost of installing a sprinkler system. He mentioned the possibility of "low-income loans."

MR. MISEWICZ stated that the Fairbanks Fire Department strongly supports both the installation of residential sprinklers and HCR 20 - the proposed resolution being one of the tools in the tool

box that will help promote installation of sprinklers. He said there are groups working to make changes to residential code; however, "there's still a lot of opposition out there." He concluded:

If we want to impact the devastation caused by fires, especially in the home, we need to start by passing the resolution, and we need to look ... for ways to promote and encourage residential sprinklers, and maybe, at some point, requiring them. This way we can go over there and save lives.

8:53:01 AM

REPRESENTATIVE GRUENBERG mentioned an initiative being considered in Fairbanks that would increase the residential property tax exemption, which would result in a reduction in the amount of money that is available to fund firefighting. He asked, "How would that sort of thing affect the ability of people to protect their homes with fire suppression and fire fighting from the local fire department?"

MR. MISEWICZ said he is not familiar with the initiative. Notwithstanding that, he said early suppression efforts reduce the amount of time and effort required of the fire department by the time it arrives at the scene of a fire.

8:55:16 AM

REPRESENTATIVE DOLL asked what the added cost would be to install a sprinkler system in a 2,000-square-foot residence if residential sprinklers were made mandatory.

MR. MISEWICZ said he has been told that retrofitting a home costs approximately \$1.50 per square foot, while installing sprinklers in a new home costs roughly \$.90 per square foot. He noted that the cost equates to the expense of installing carpet in a home.

8:57:27 AM

REPRESENTATIVE SEATON, in response to a question from Representative Gruenberg, said he is not aware of any other jurisdictions that have mandatory requirements [for residential sprinkler systems]. He reminded Representative Gruenberg that the program that the resolution would support is completely voluntary. He pointed out the difference between retrofitting

homes completely and attempting to cover 85 percent of the ignition sources in homes, the latter of which is what the resolution is "trying to do." He said when people talk about mandatory requirements, they are generally talking about "through building codes." Much of Alaska, he said, does not have enforced building codes that affect houses. Since the resolution aims at encouraging all of Alaska to opt for sprinkler protection, the resolution is not attempting to effect something through mandatory building codes.

[8:58:52 AM](#)

VICE CHAIR ROSES closed public testimony.

[8:59:05 AM](#)

REPRESENTATIVE JOHANSEN asked if the resolution is attempting to convince insurance companies to consider deductions and offer incentives.

[8:59:27 AM](#)

REPRESENTATIVE SEATON offered his understanding that there are two insurance companies in Alaska that currently offer credits, but those credits are based on the national, 100 percent coverage throughout the entire home. He said HCR 20 attempts to get credits offered "for the protection from the ignition sources that generally occur within Alaska." He referred to a handout in the committee packet that shows three charts depicting fire statistics in Alaska. One page, entitled, "Applicable Fire Cause Comparison (2005-2007)," shows that in 2007, nine out of fourteen fire-related deaths were caused by heat sources - the cause of the five other deaths was undetermined. He indicated that the resolution could have a huge effect on Alaskans, giving the incentive and ability to homeowners to protect themselves and their families in the home.

[9:00:54 AM](#)

REPRESENTATIVE JOHANSEN indicated that the resolution does nothing more than make a suggestion to the insurance company. He asked if there are other states in which insurance companies recognize partial coverage for "hot spot areas."

REPRESENTATIVE SEATON responded that he is not aware of any other states that do so. He said most states offer incentives through building codes, and he reiterated that there are only

"some centralized municipalities that even require building codes in Alaska." He said the state fire marshal has developed the pilot program and has indicated it would be finalized. He said insurance companies' charges are supposed to represent their "loss experience"; therefore, there would be a reason for the director of insurance to be asking the insurance company to consider that.

REPRESENTATIVE JOHANSEN indicated that some people had commented on the high rates of plumbers, and he pointed out that simply noting the cost of the sprinklers does not include the labor of having them installed. He observed that there is a zero fiscal note in the committee packet. He said he has seen it happen in the past where the fiscal note started out at zero, a program was started, and in ensuing years requests were made for money to keep the program going. He said he is curious why [the Department of Labor] would need to create a program and curriculum to train licensed plumbers to "cut a pipe and have them put a 'T' in there."

REPRESENTATIVE SEATON explained that a way to keep costs down is to have a homeowner do the job him/herself and have a plumber certify that "the [sprinkler] heads are there." He indicated that this would give more authenticity, which would assure the insurance companies that the job was done correctly. He said it may cost more than \$100 to do that certification, but in a "normal" house, three sprinkler heads might be sufficient.

[9:08:04 AM](#)

REPRESENTATIVE JOHANSEN said the bill sponsor has expressed that the program and curriculum exist; therefore, he is not certain why it is necessary that the resolution include language regarding the creation of a program and curriculum. He said he would likely offer an amendment to delete that language.

[9:08:55 AM](#)

GREY MITCHELL, Director, Labor Standards and Safety, Department of Labor and Workforce Development, in response to Representative Johansen, confirmed that the training curriculums do already exist, so the department would not be required to expend effort to develop a curriculum. Since the resolution is "advisory," he said, "a plumber can get the training or not." Those with the training will get that additional training status noted on their already existing license.

MR. MITCHELL, in response to a question from Representative Johansen, explained that currently a plumber can install sprinklers with a standard plumbing license. He explained, "I think what we're talking about here is an advisory where you would have a training program that's separate from the standard that a plumber could get, as an addendum or an addition to their plumbing license, for sprinkler fitting, specifically." In response to a follow-up question from Representative Johansen, he confirmed that there are some training programs that include sprinkler systems as part of their training curriculum, while others do not.

REPRESENTATIVE JOHANSEN expressed concern that another hoop is being created for a plumber to jump through to prove he/she can do a skill that is already part of his/her repertoire.

MR. MITCHELL responded, "I think that that's an accurate statement."

[9:12:10 AM](#)

REPRESENTATIVE GRUENBERG queried, "Nothing in this resolution or what you're contemplating would require a plumber to be certified in that manner to make a certification that the home has sprinklers, correct?"

MR. MITCHELL confirmed that is correct.

REPRESENTATIVE GRUENBERG continued, "So, it's not accurate to say that there would be this requirement, is it? ... This encourages you to develop the program so it would be available to plumbers who wanted it; not that they'd be required to have it to make the certification. Isn't that correct?"

MR. MITCHELL answered that's correct; it would not be a requirement. He explained, "I think the issue is there would be this question of whether or not the plumber had received that training in order to get whatever benefit the insurance company was providing. So, although it's not required, there would be some kind of a mechanism to show that they had had that training or not."

REPRESENTATIVE GRUENBERG asked, "If the homeowner wished to prove the installation of complying sprinklers, would that ... plumber have to have had that certification, or could another plumber make the certification to the homeowner to be presented

to the insurance company? Would they have to go through your program?"

MR. MITCHELL replied that he really does not know. He said, "All that the resolution asks us to do is to develop a training curriculum. The curriculum is already established, so, ... at that point ... we're done. These secondary steps are kind of 'what-ifs,' and since it is all advisory, I don't know exactly how it's going to develop."

REPRESENTATIVE GRUENBERG directed attention to [page 2], lines 21-22, which notes that the Department of Labor and Workforce Development would work with the state fire marshal. He suggested that the department would also work with other groups, such as unions.

MR. MITCHELL agreed that certainly the department would get industry support and input on the training curriculum. In response to a follow-up question from Representative Gruenberg, he confirmed that the other input would come not only from unions, but also from industry groups.

[9:14:29 AM](#)

REPRESENTATIVE GRUENBERG asked the sponsor of the proposed resolution how he would feel about including "and other groups" after "state fire marshal".

REPRESENTATIVE SEATON responded that that would be fine, since the whole idea is to create a synergy. He suggested that instead of just "train licensed plumbers", the words "and certify" could be added. He explained that the issue is not about how to solder pipes and put in a 'T' - it's about determining whether the sprinkler head is adequate to cover the area. He offered further details. He stated that if the fire marshal recognizes that preventing fires in the aforementioned limited areas is of the greatest benefit, than many lives can be saved in Alaska.

[9:17:19 AM](#)

REPRESENTATIVE DOLL said she can see how the resolution could have a ripple effect, and she expressed concern that [the resolution] is "much more than meets the eye." She said different homes are made out of different materials, for example. There is a lot more to the resolution than "a simple intent to prevent fires."

9:18:11 AM

REPRESENTATIVE JOHANSEN asked Mr. Mitchell if he has the ability currently to exclude plumbers who do not have the required "sticker."

MR. MITCHELL answered that the department's current authority lies in statute and requires anyone working on a potable water system to hold a plumber's "certificate of fitness" license. He said, "These systems in the residential arena are going to be part of that potable water system. So, in order to work on the potable water system, they would have to have that certificate of fitness." An exception he noted would be if a plumber is working in a community with less than 2,500 people. In response to a follow-up question from Representative Johansen, he said, "I guess I'm kind of having trouble making the tie-in with this bill, because I don't think that the bill has anything to do with that requirement." He said if someone is doing plumbing work that is subject to the Uniform Plumbing Code because it is part of the potable water system, thus currently requiring a certificate of fitness, that person does not need a sticker that says he/she has had any training in sprinkler fitting or "those kinds of things."

9:20:39 AM

VICE CHAIR ROSES observed, "When you say they have to have the certification; that's only if you're going to get a license as a certified plumber in the state. If I'm a homeowner - I'm building my own home - I don't have to have a certification, and there is no regulation by the Department of Labor [and Workforce Development] that governs that. ... I do have to get a building inspection in my municipality, but I don't have to have a certification. So, you're only talking about for licensure, is that correct?"

MR. MITCHELL responded that's correct.

REPRESENTATIVE JOHANSEN restated his previously expressed concern that although the bill has no weight in law, when the legislature pushes in one direction, the department may end up coming back with requests for expenditures. He said he agrees with the intent of the bill; however, he has a problem with the aforementioned language on page 2, lines 21-24.

9:22:19 AM

REPRESENTATIVE GRUENBERG asked if lay people could also be trained by the department.

MR. MITCHELL said he does not see any reason why the training could not be offered to anyone who wished it.

REPRESENTATIVE SEATON said he had included licensed plumbers in the language of the resolution because in most places building inspectors are not required. He said plumbers who install sprinkler systems currently are already licensed to do so, but "this would allow the other plumbers that haven't been trained in sprinkler systems to get that certification."

REPRESENTATIVE GRUENBERG stated that he fully supports the bill and would not offer an amendment unless the sponsor approved it. He asked if offering certification to homeowners who wished to install sprinklers simply for the purpose of upgrading their homes would be contrary to the purpose of HCR 20.

REPRESENTATIVE SEATON responded no.

REPRESENTATIVE GRUENBERG said he would like to encourage the average person [to upgrade his/her home by installing sprinkler systems].

[9:26:03 AM](#)

REPRESENTATIVE JOHANSEN asked Mr. Mitchell if the department could handle allowing anyone to come before it and say, "Hey, I want to do this," and if there would be zero fiscal impact if that should happen.

MR. MITCHELL responded yes. He explained the reason is that the curriculums already exist.

[9:26:45 AM](#)

REPRESENTATIVE DOLL said she foresees that residential sprinkler systems could become mandatory at some point in the future, which would have tremendous impact on homebuilding and insurance.

The committee took an at-ease from [9:27:49 AM](#) to [9:30:21 AM](#).

[9:30:41 AM](#)

REPRESENTATIVE GRUENBERG, in response to Vice-Chair Roses, said the House State Affairs Standing Committee is the last committee of referral for HCR 20 before the resolution is heard by the House Rules Standing Committee.

[9:33:14 AM](#)

REPRESENTATIVE GRUENBERG moved Conceptual Amendment 1, as follows:

Page 2, line 22, following fire marshal:

Delete ", "

Insert "and other groups"

Page 2, line 23:

Delete "create a program and a curriculum to"

Page 2, line 23, between "train" and "licensed":

Insert "and certify"

Page 2, line 23, between "plumbers" and "install":

Insert "and others"

REPRESENTATIVE DOLL [objected for discussion purposes].

REPRESENTATIVE SEATON, in response to Representative Doll, confirmed that the reason for deleting the reference to a program and curriculum is that those are already in place. He noted that since Representative Gruenberg had moved Conceptual Amendment 1, with "and other groups" added after "state fire marshal", the addition of "and others" after "licensed plumbers" is not needed. He said "others" would be certified, but the state would not be getting into a training program for them.

REPRESENTATIVE GRUENBERG asked Representative Seaton how he would like the language of Conceptual Amendment 1 changed.

REPRESENTATIVE SEATON suggested that the language should read:

working with the state fire marshal and other groups to train and certify licensed plumbers to install or certify residential fire sprinkler systems.

REPRESENTATIVE GRUENBERG explained the purpose behind including "and others".

REPRESENTATIVE SEATON said he does not have any objection to leaving that language in the amendment; however, he said he wants the legislative intent clear that "we're not talking about a workforce development program" where training take place.

[9:36:15 AM](#)

REPRESENTATIVE GRUENBERG stated for the record that upon adoption of Conceptual Amendment 1, page 2, lines 21-24 would read as follows:

FURTHER RESOLVED that the Alaska State Legislature encourages the Department of Labor and Workforce Development, working with the state fire marshal and other groups, to train and certify licensed plumbers and others to install residential fire sprinkler systems.

REPRESENTATIVE GRUENBERG said, "I don't know if I'm a homeowner if you're going to, quote, 'certify' me, but I think the broad sense is that the training is available."

REPRESENTATIVE DOLL said she just received a note from a constituent who is a member of a sprinkler fitters' union and "thinks this is diluting it." She asked if the sponsor has spoken with members of the union and whether "this is going to be a potential problem."

[9:37:58 AM](#)

REPRESENTATIVE SEATON replied that he thinks the concern is that the amendment would somehow affect commercial sprinkler system installation. He emphasized that it would not.

[9:38:37 AM](#)

REPRESENTATIVE GRUENBERG said he thinks the language clearly specifies that the sprinklers affected are residential sprinklers.

[9:39:00 AM](#)

REPRESENTATIVE DOLL withdrew her objection. There being no further objection, Conceptual Amendment 1 was adopted.

[9:39:13 AM](#)

REPRESENTATIVE JOHANSEN moved to report HCR 20, as amended, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHCR 20(STA) was reported out of the House State Affairs Standing Committee.

HB 406-COMPETITIVE BIDDING FOR BALLOT PREP

9:39:51 AM

VICE CHAIR ROSES announced that the final order of business was HOUSE BILL NO. 406, "An Act relating to a requirement for competitive bidding on contracts for the preparation of election ballots."

9:40:08 AM

REPRESENTATIVE JOHNSON moved to adopt the proposed committee substitute (CS) for HB 406, Version 25-LS1487\C, Bullard, 2/28/08, as a work draft. There being no objection, Version C was before the committee.

9:40:34 AM

RENEE LIMOGÉ, Staff, Representative Anna Fairclough, Alaska State Legislature, introduced HB 406 on behalf of Representative Fairclough, prime sponsor. She said the intent of the bill is to open the competitive bidding process and to allow for fair business practices in Alaska. The bill includes an Alaska bidder and product preference and would not subject the Division of Elections to the procurement code. Furthermore, Ms. Limoge said, the intent is not to affect the integrity of the ballots printed or Alaska's election process. Currently, there is a sole source contract for the printing of election ballots, and the bill sponsor would like to open up that process to allow other Alaska printers the opportunity to apply for the business.

9:41:44 AM

MS. LIMOGÉ, in response to a question from Representative Doll, said currently there is one vendor that is certified. However, she offered her understanding that the certification process is no longer [required], so other printers would be able to apply. When the certification process did exist, the cost was prohibitive. She added, "And when it was a closed process, there wasn't much need to do that."

[9:42:26 AM](#)

KERRY NOBLIN, Peninsula Printing, testified in support of HB 406, as follows:

Currently the Division of Elections is contracting this work through one shop without giving other qualified printing contractors the chance to bid on the job. I can understand that the Division of Elections has become complacent and comfortable with their current arrangement and their sole printing contractor, but the efforts that go into printing these ballots are neither a technical nor extraordinary effort. The printing of state election specific ballots is a rather simple job when it comes down to the process of completing it. The largest challenge that face[s] any shop competing for the contract is the sheer volume of that ballot, but there are many printing contractors in Alaska that are capable of handling these quantities.

Without putting these ballots out for bid, the state is leaving itself to the mercy of one contractor, allowing this contractor to dictate terms to the state with regards to [the] pricing, quality, [and] turnaround of this job. It is a bad policy to uphold and it also stifles a strong, competitive atmosphere. With state election ballots being put up for bid among qualified Alaskan printers, not only will the state be stimulating positive economic growth in the Alaska printing industry, but it will also ensure that the state is getting the best deal possible in terms of price, quality, and turnaround.

The public bid process of the contracting of other election ballots has been successful in the past, and continues to be a success on a municipality and borough level.

In closing, it is my belief that the state should support this bill. The bill not only ensures the state is getting the best deal possible, it will help stimulate economic growth in the local printing industry.

[9:44:37 AM](#)

REPRESENTATIVE DOLL asked Mr. Noblin why he thinks the use of one printing company puts the state in a position of having to "obey this vendor."

MR. NOBLIN answered that because the state is not giving other vendors the opportunity to bid on projects, there is no way of knowing whether the single vendor being used is charging fair prices; there is no means of comparison.

[9:46:04 AM](#)

REPRESENTATIVE GRUENBERG directed attention to a letter in the committee packet, from Kevin Fraley, the general manager of Super Software Inc. "DBA - Print Works," dated March 12, 2008. He said he would like to know how Mr. Noblin would respond to the information in Mr. Fraley's letter.

[9:47:36 AM](#)

PATRICK FOSTER, A.T. Publishing and Printing, testified in support of HB 406. He said he has worked in the printing industry in Alaska for nearly 30 years. He said the State of Alaska used Diebold Election Systems' ("Diebold") electronic ballot readers for the purpose of tallying votes from statewide elections. Until recently, he noted, Diebold required printing companies that print ballots used in its machines to be certified by the company. At the time that the State of Alaska adopted the use of Diebold's ballot readers in the mid-1990s, no companies in Alaska were certified. Shortly after, a small, Alaska printing company was certified, and the Division of Elections has "sole-sourced approximately \$2 million to this company since." He said that has been done despite the fact that a number of Alaska printing companies have voiced a desire to be included in the process. Mr. Foster said his company became a certified Diebold printer in 2003; however, today, Diebold no longer requires certification, which removes an expensive hurdle for many Alaska printing companies.

MR. FOSTER said he is aware that there is probably a certain comfort level that the division has working with a printer that has proven to do a good job. He said he works to give his clients that same comfort, and recently has succeeded in securing the ballot-printing contract for the Municipality of Anchorage. He noted that Anchorage formerly sole sourced its ballot printing out to another printer before making the decision to put the ballot printing out to bid. The municipal clerk, he said, was concerned about moving forward with a new

printer, but has since found that the change was not only relatively easy, but also that the City of Anchorage has benefitted by paying less for its ballots. He relayed that his company has printed ballots for the Municipality of Anchorage from 2005-2007, considered by Diebold to be among "the most difficult ballots in the nation." He said the municipality has put a new contract out for bid this year. Mr. Foster said, "I'm certain that the ... Division of Elections would develop a fine working relationship with any printing company that would be awarded the contract."

MR. FOSTER said some might claim that the complexity of the State of Alaska ballots is reason enough to leave things the way they are, but he emphasized that nothing is further from the truth. The task of printing a few hundred thousand ballots would be daunting for some small shops, but those shops would not bid on the project. There are many companies in the state that are fully capable of handling the volume of work in the time required, including the packaging and shipping logistics, he said. The ballots require careful imprinting and packaging, but are otherwise easy to produce - nothing beyond the scope of many jobs produced by dozens of Alaska printing companies each year. He said another concern is that the Division of Elections could be bogged down putting ballots out to bid every two years. Mr. Foster recommended that each bid be awarded for one election cycle, with "a performance option for a second."

[9:51:00 AM](#)

MR. FOSTER stated that opening the election ballot to competitive bid would have a variety of positive effects, including the likely savings of a substantial amount of money. The level playing field, he said, would open the door for more Alaska printing companies to be involved, which would in turn give those companies the opportunity to upgrade their facilities and improve their standing in both the industry and the state. Furthermore, the state would not have to put all its eggs in one basket by relying on a single printing company.

[9:52:26 AM](#)

GAIL FENUMIAI, Director, Central Office, Division of Elections, Office of the Lieutenant Governor, explained how HB 406 would impact the division's business practices. Prior to 2002, the division had ballots printed by a company other than the current vendor - a company outside of Alaska. She said the division is thankful to have its ballots printed inside the state now,

because doing so alleviated many of its concerns regarding getting ballots delivered on time, as well as other issues.

MS. FENUMIAI stated that ballots are the most important aspect of conducting an election. The ballot printing process is complex and requires a vendor that needs to know the processes of the division and its timelines in order for the job to be done correctly. If ballots are printed incorrectly and not received on time, the result could be a disenfranchisement of voters and an impairment of the division. Ms. Fenumiai emphasized the importance of the report and of trust gained by working with a vendor. She said the vendor needs to be willing to stick with the division in the instance where something may go wrong. She offered an example when, in 2004, the court required ballots to be reprinted due to an initiative ballot language summary, and the division's current vendor worked around the clock and was able to get the ballots reprinted and delivered on time, so that the general election was able to proceed as it was supposed to according to statute.

MS. FENUMIAI relayed that the division follows the competitive bid process for everything else it is required to do, for example, purchasing envelopes, tally books, and the official election pamphlet. She stated, "This is one area that we feel is very, very difficult" She said she would give the committee a timeline of statutory requirements that make a competitive bid process impractical.

[9:55:06 AM](#)

MS. FENUMIAI stated that the only competitive bid process she is aware of is what is referenced in the procurement code, which she said she believes is a 21-day, competitive, sealed bid process. She said there is some time allowed for a protest period. She related that although she is not personally familiar with the procurement code, Vern Jones, the state's chief procurement officer, was available to answer questions. She continued:

The division has very tight statutory deadlines. Moving to a competitive bid process raises concerns that the required timelines couldn't be met. There are 22 days from the date the ballot is certified for the primary election to the date the ballots need to be issued in our offices.

[9:56:04 AM](#)

VICE CHAIR ROSES asked Ms. Fenumiai if she has observed a significant difference between a ballot on the day it is certified and the same ballot several weeks before that.

MS. FENUMIAI said she does not recall, but she offered to find out and get back to the committee with an answer. She continued:

For the general election, the timeline gets even tighter; there are 16 days from the date [on] which the ballot is sent to the printer and the date [on] which the ballots have to be back in the division's offices ready for distribution. And a lot of that is contingent on when the primary election is certified, because obviously we can't send the ballot to the printer until the primary is certified.

The division is also concerned that the lowest bidder may not also be the best bidder. There is a lot that goes on other than just putting a template on a printer and printing ballots out. The printer tests ballots to make sure that the tiny marks and the fold marks - the cut marks - are properly done. So, it is more than just a simple copying job, for lack of a better word. There's accountability involved. And also, at the same time, many counties throughout the nation are printing ballots, and ballot printers need to know ahead of time if they're going to need to order ballot paper, because there are literally thousands in the nation that will be printing ballots for a general election in November.

[9:58:12 AM](#)

MS. FENUMIAI, in response to a series of questions from Representative Doll, said to the best of her knowledge there have been no problems related to the present vendor and she does not feel that the division has been dictated to by that vendor. She said the division tells the printer what, how much, and when it needs in terms of ballots, and she said to the best of her knowledge the timelines have always been met by the current vendor. The division decided in 2002 to find out if there was any printer in the state of Alaska that would be qualified to print ballots. At that time, Diebold required ballot printers to be certified, and Print Works in Homer had gone through that certification process. The division toured the plant, met the

owner, and felt comfortable that the business understood and could meet the division's needs, concerns, and deadlines. She concluded, "Ever since then, things have been fine."

[9:59:54 AM](#)

MS. FENUMIAI explained that the length of the ballot can change, but the width remains the same. In response to a follow-up questions from Vice Chair Roses, she confirmed that creasing and folding issues can differ with the size of the page. At the time the division would put out a bid spec for ballots, she said, it "would not have a genuine, true idea if a ballot was going to be an 8 1/2 by 11-inch ballot [or] an 8 1/2 by 14-inch ballot until much closer towards the election."

[10:00:27 AM](#)

VICE CHAIR ROSES asked if the bidding process would prevent the division from getting a "variegated bid" that would allow the printing companies to submit a different bid for each of the possible ballot sizes.

MS. FENUMIAI deferred to Mr. Jones.

[10:02:01 AM](#)

REPRESENTATIVE JOHNSON said he has spent some time in the printing business, and he suggested that it may be efficient for individual printers to "just buy the bigger paper" and cut it to size.

[10:02:30 AM](#)

VERN JONES, Chief Procurement Officer, Central Office, Division of General Services, Department of Administration, said during the bidding process what needs to be known, regarding paper used, is "the mix of how much of each size and what the price would be" in order to come up with an accurate total. He said, "Representative Johnson's solution would probably be much easier to implement than simply getting pages per different price, because you wouldn't know what the mix would be to know who would actually be cheaper until the last minute, and that would be too late."

[10:03:31 AM](#)

REPRESENTATIVE JOHANSEN asked, "Can you make, basically, a deal that for this election cycle this company's going to ... be the printer, and then deal with the deadlines on it?"

MR. JONES said he generally is an advocate of competition; therefore "this" is a bit of a departure for him. He explained:

It's not so much the time built into the procurement code, because the procurement code doesn't apply here, but just practically how much time they have - given the information they have when they have it - to get a bid out, to get the product - the stock ship by the vendor, I understand takes a couple of months, to get the testing done - they have to have preliminary bids in and ... all the machines have to be tested on the ... ballots that come back well before they're ready. Gail mentioned reprints, as well. There's shipping time - once the printer has its job done, they have to be shipped to all different areas of the state. So, it's not so much the time that the procurement takes, as ... the very restricted amount of time that the division has once they know what needs to be printed.

And again, that's not any reflection on the capabilities of the printers out there. I don't think the division's made the leap that the printer they're using is the only one that can do the job; it's just that the time involved to actually effect the competition is very tight, and I would probably venture to say that in some instances, in some election cycles, it's definitely not practical to take that time to go out and get the competitive bidding that's required.

Something else I'd like to mention is that while the bill doesn't subject the printing of the ballot to the procurement code, it's silent on a number of issues that the procurement code would probably be used to step in and fill in the blanks. For example, there's no ... protest provisions in the bill, so we would likely look to the protest provisions of the procurement code to fill in. Those ... entail giving the vendor ten days after an award is made to protest. And then there'd be the time necessary to respond to the protest.

[10:07:02 AM](#)

MR. JONES said it is probably very important to have a comfort level with a printer. That doesn't necessarily mean there is only one printer involved, but there are other factors to consider. He opined that "if this were going to be competed," a request for proposals (RFP) would be what "you'd want," rather than a bid process. He explained that with an RFP, the state would be able to examine a printer's experience, history, capability, physical plant, and perhaps financial credentials. He stated, "This speaks against the bill, because an RFP is an even longer procurement process than a bidding process." He continued:

If the bill simply said we want to subject the printing and ballots to the procurement code, there would be much more flexibility there. The procurement code has any number of procurement methods available and exceptions, like limited competition procurements, and so on. Now, I'm not suggesting that that be done, I'm just saying that there would be a lot more flexibility if that were the case.

10:08:20 AM

REPRESENTATIVE JOHANSEN asked if one company can be chosen for a specific election rather than undergoing another bid or process "every time you turn around."

MR. JONES responded that it would be possible to do so; however, the information that would be necessary in order to be able to fairly evaluate "one versus the other" would depend on the information that the division gets, and "it doesn't get it until ... 18 days before the ballots are needed to be in hand and ready to be voted on."

10:10:19 AM

REPRESENTATIVE JOHNSON asked if there is any language in the proposed legislation that would prevent the division from issuing a competitive bid process, effective in 2010, which would apply for the next five years, and repeat the process every five years thereafter. He said he thinks it would be ill-advised to try to put a bid out for every election, but supports the idea of contracts every five to seven years. He stated, "Sixteen days in the printing world is a lifetime," thus, the time frame does not concern him, but quality control does. He said he could name a half dozen printers who could print ballots

for the state. He said he doesn't know if they could do it for a better price than the printer the state currently uses, but he doesn't think the division knows that answer either, which is the purpose of [the bill]. He said the state could make a test run be a requirement of the bid process.

MR. JONES said there is nothing in the language of the bill that would prevent that from happening. He suggested that "a bid may not be the appropriate vehicle for printing a ballot in this case."

REPRESENTATIVE JOHNSON said perhaps the RFP process would apply. He said there is a system by which the state could allow a competitive process to "enter our election" without jeopardizing the quality of that election. He said he thinks the bill needs to be considered more closely. He said, "There is nothing that should keep this from happening, and quite honestly, I don't know why the Division of Elections hasn't done it anyway." He said he thinks the state is probably spending more than necessary for its ballots.

[10:14:18 AM](#)

MS. FENUMIAI responded that timing is an issue. She said there are a lot of intricacies involved with printing ballots. A significant amount of testing is done at the printer's shop and at the Division of Elections to ensure that the ballots record votes properly in the optical scan units.

VICE CHAIR LYNN asked if Representative Johnson's suggestion of a rotating bid would allow "time for that to take place and still have a competitive process."

MS. FENUMIAI replied that she believes it would be a better process than getting bids every two years.

[10:15:33 AM](#)

REPRESENTATIVE JOHANSEN asked how often the layout and the face of the ballots actually change.

MS. FENUMIAI responded that the ballot would be on same type of paper each year; only the names and races would change, along with the length of the ballot. In response to a follow-up question from Representative Johansen, she said the placement of the names of candidates and the ovals that are placed next to each name shift with each ballot.

REPRESENTATIVE JOHANSEN said he would like to know how much the cost of printing ballots has increased in the last six to eight years.

MS. FENUMIAI noted that, according to available records, the 2004 [primary] ballots totaled \$156,229.25; general election ballots for 2004 cost \$264,546.28; and the reprinting of [the general election] ballots for 2004 cost \$235,802.87. The 2006 primary ballots cost \$181,632.00; the 2006 general election ballots cost \$205,773.75. In response to Representative Johnson, she explained that there had been a court order that mandated the ballot summary language be changed on one of the initiatives, which required every single 2004 general election ballot to be reprinted. The prices fluctuate because of quantity, size of the ballot, and paper [length], she noted.

[10:18:48 AM](#)

MS. FENUMIAI, in response to a question from Representative Doll, offered more details regarding the certification process previously required by Diebold.

[10:19:50 AM](#)

JASON HOOLEY, Special Assistant/Legislature, Office of the Lieutenant Governor, testified regarding the practical aspects of HB 406. He stated that the Office of the Lieutenant Governor supports competition; however, the flexibility afforded by current statute has not led to a situation without standard or lacking oversight. Conversely, that flexibility has allowed the division to explore a number of areas that have led to quality assurance and security measures that have served the division well. That said, he reported that the Office of the Lieutenant Governor does not oppose bill, but asks that the committee continue to work with the division to address the practical concerns articulated by Ms. Fenumiai and Mr. Jones.

[10:21:03 AM](#)

VICE CHAIR ROSES closed public testimony, but said he may reopen testimony for Mr. Fraley if he is available to testify at the next committee hearing on HB 406.

[HB 406 was heard and held.]

ADJOURNMENT

There being no further business before the committee, the House State Affairs Standing Committee meeting was adjourned at [10:21:40 AM](#).