

SENATE FINANCE COMMITTEE
March 31, 2008
9:09 a.m.

CALL TO ORDER

Co-Chair Stedman called the Senate Finance Committee meeting to order at [9:09:07 AM](#).

MEMBERS PRESENT

Senator Lyman Hoffman, Co-Chair
Senator Bert Stedman, Co-Chair
Senator Charlie Huggins, Vice-Chair
Senator Kim Elton
Senator Donny Olson
Senator Joe Thomas
Senator Fred Dyson

MEMBERS ABSENT

None

ALSO PRESENT

Miles Baker, Staff, Senate Finance Committee; Representative Mike Doogan; Representative Craig Johnson

PRESENT VIA TELECONFERENCE

Bryce Wrigley, Alaska Farm Bureau, Delta Junction; Janice Chumley, Kenai Soil and Conservation District and the University of Alaska Fairbanks Cooperative Extension Service

SUMMARY

CSHB 260(STA)

"An Act relating to a State Officers Compensation Commission and establishing how legislators, the governor, the lieutenant governor, and executive department heads shall be compensated; providing for an effective date by repealing the effective dates of certain sections of ch. 124, SLA 1986; and providing for an effective date."

CSHB 260(STA) was REPORTED out of Committee with a "do pass" recommendation and an accompanying previously published fiscal note from the Department of Administration.

CSHB 330(RES)

"An Act relating to noxious weed, invasive plant and agricultural pest management and education; and providing for an effective date."

CSHB 330 (RES) was HEARD and HELD in Committee for further consideration.

SB 221 "An Act making appropriations, including capital appropriations, supplemental appropriations, and appropriations to capitalize funds; and providing for an effective date."

SB 221 was HEARD and HELD in Committee for further consideration.

[9:09:12 AM](#)

CS FOR HOUSE BILL NO. 260(STA)

"An Act relating to a State Officers Compensation Commission and establishing how legislators, the governor, the lieutenant governor, and executive department heads shall be compensated; providing for an effective date by repealing the effective dates of certain sections of ch. 124, SLA 1986; and providing for an effective date

Co-Chair Stedman presented an overview of the three bills. He mentioned there would be a presentation from the subcommittee for CSHB 260, chaired by Senator Elton.

[9:10:53 AM](#)

Senator Elton presented the recommendations from the subcommittee. He mentioned that the subcommittee consisted of the bill's sponsor, Representative Doogan, with Senator Olsen and Senator Dyson. Senator Elton announced that the subcommittee made no changes.

[9:11:43 AM](#)

REPRESENTATIVE MIKE DOOGAN, the bill's sponsor, presented an overview of the bill establishing a State Offices Commission. This bill would cover legislators, the Governor, the Lt. Governor, and the principle department heads. Representative Doogan noted that the commission would consist of five members appointed by the Governor; one from a list presented by the President of the Senate, one from a list of the Speaker of the House, and three at-large members. He stressed that the commission appointees can have served in the offices that they are recommending compensation but not within the last four years. He noted that the commission members are charged with presenting a report every two years to the Legislature on compensation.

Representative Doogan stressed that the Legislature can disapprove the report within sixty days if they do not like the recommendations and the Legislature retains the power of appropriation.

[9:13:49 AM](#)

Co-Chair Stedman mentioned one fiscal note for \$7500 for travel and supplies for the committee. He noted that public testimony was taken at the last meeting on this bill.

Co-Chair Hoffman MOVED to REPORT CSHB 260(STA) out of Committee with individual recommendations and an accompanying fiscal note. There being NO OBJECTION, it was so ordered.

CSHB 260(STA) was REPORTED out of Committee with a "do pass" recommendation and an accompanying previously published fiscal note from the Department of Administration.

AT EASE: [9:15:45 AM](#)

RECONVENED: [9:17:07 AM](#)

[9:17:11 AM](#)

CS FOR HOUSE BILL NO. 330(RES)

"An Act relating to noxious weed, invasive plant and agricultural pest management and education; and providing for an effective date."

REPRESENTATIVE CRAIG JOHNSON, presented an overview for HB 330. He reported that the bill would create a Weed Coordinator for the state, develop a weed plan, and create a Weed Board. He maintained that these three requirements are necessary to tap into federal funds which would allow Alaska to coordinate with other states for weed eradication of invasive species. Representative Johnson mentioned that there have been invasive species entering into the state with no plan to deal with this problem.

[9:19:26 AM](#)

Representative Johnson reiterated that there is no plan in place to deal with invasive plant problems. He recounted that as the warming trend continues in the state, invasive species are becoming more prevalent. Representative Johnson declared that invasive species are often deadly to the local habitat and can cause severe economic havoc to state farms and the economy. He revealed that Alaska is in the preventative stage, not eradication phase. This bill would set up the mechanism process to keep these species out of Alaska.

[9:21:47 AM](#)

Senator Elton mentioned that under some federal programs, fisheries are considered agriculture. He wondered if dealing with invasive plants and animals brought in by ships would be part of the responsibility of the new position.

[9:22:32 AM](#)

Representative Johnson reported that it is not clearly outlined in this bill as HB 330 would act as a first step in the process. The bill does not specifically address animal or insect invasion species. He maintained that the new Weed Coordinator could expand into these other areas. Senator Elton remarked that his reading of the bill does not prohibit it. He encouraged the Committee to look at and focus on the maritime issues in the future.

[9:24:16 AM](#)

Co-Chair Stedman recounted that several communities in Alaska are actively seeking both water exports. Representative Johnson supported the movement to include the water borne and non-indigenous plants and animals invading Alaska but he reminded the Committee that this bill was designed to narrow in on what is possible at this time.

[9:25:11 AM](#)

Senator Olson requested the number of states that have a Weed Coordinator and Weed Board. He also questioned Canada's process for dealing with this issue.

Representative Johnson reported he was not familiar with Canada's program but that most of the western states have this program. He explained that the agriculture in western states has been hard hit by invasive plants and the land where invasive species have been found has been devalued.

[9:26:32 AM](#)

Senator Dyson advised that the maritime invasive conditions are killing off many of the natural species. He mentioned an agreement among western states is starting to allow the inspection in one jurisdiction to be recognized in another jurisdiction. Senator Dyson specified his concern over the farm fish invasion into Alaska waters, as farmed fish have been discovered in eighty six Alaskan rivers.

[9:27:46 AM](#)

Senator Dyson reported hearing that some gardening stores in Alaska are selling ornamental plants that are listed as invasive species. He hoped that this commission would

produce a list of what can not be sold in Alaska. He also questioned if federal funding would preclude being used on noxious animals and seaborne creatures. Representative Johnson replied he is not certain on the federal requirements as there has not been a mechanism in place up to this time. He recounted that some ornamental invasive plants sold in stores were added to the list and one of the charges of this board would be to update the list.

[9:29:48 AM](#)

Co-Chair Stedman requested Representative Johnson expand on the potential for federal grants and the state matching requirements. Representative Johnson responded that securing federal grants would be part of the new weed coordinator's position. He believed this could lead to hundreds of thousands of dollars in federal money without state matching funds.

Co-Chair Stedman referred to the four fiscal notes.

[9:31:17 AM](#)

Senator Elton questioned on Page 2, Section 1, line 24, where it states that the new coordinator shall coordinate with the University of Alaska Cooperative Extension Service and the Alaska Association of Conservation Board of Directors. Senator Elton suggested the addition of coordinating with the Alaska Department of Fish and Game who already have an invasive species person on staff. Senator Olson questioned if the federal grants were ongoing or only there for a few years, ultimately requiring state funds.

[9:33:00 AM](#)

Representative Johnson revealed he was not aware how long the federal programs would last. The weed problem is a widely recognized problem which causes huge economic losses in western states. He did not envision this as a problem going away but the state legislature needs to determine if it is worth pursuing.

[9:33:47 AM](#)

BRYCE WRIGLEY, ALASKA FARM BUREAU, DELTA JUNCTION testified via teleconference in support of this bill. He revealed that Alaska is in a unique position to eliminate many of the invasive species before they become a major problem. He stressed that Alaska has the knowledge and tools to deal with this before it becomes a greater problem. This legislation could bring all the agencies together to develop a management strategy. He believed this bill would start putting an eradication plan into place.

[9:35:34 AM](#)

JANICE CHUMLEY, KENAI SOIL AND CONSERVATION DISTRICT AND THE UNIVERSITY OF ALASKA FAIRBANKS COOPERATIVE EXTENSION SERVICE testified via teleconference, supported this bill. She indicated noticing more invasive plants appearing throughout the Kenai Peninsula in recent years. She reminded the Committee that Alaska is the only state without an overwhelming amount of invasive species and now is the time to remain in this position.

[9:37:05 AM](#)

Representative Johnson signified that this bill is the first step to deal with the invasive species problems and, as more is learned, to continue to tackle more invasive plant and animals species problems.

[9:37:50 AM](#)

CSHB 330 (RES) was HEARD and HELD in Committee for further consideration.

AT EASE: [9:38:00 AM](#)
RECONVENED: [9:59:52 AM](#)

[9:59:58 AM](#)

SENATE BILL NO. 221

"An Act making appropriations, including capital appropriations, supplemental appropriations, and appropriations to capitalize funds; and providing for an effective date."

Co-Chair Hoffman MOVED to ADOPT Committee Substitute 25-GS2007\K as a working document before this Committee.

Co-Chair Stedman OBJECTED for discussion purposes.

[10:00:56 AM](#)

MILES BAKER, STAFF, SENATE FINANCE COMMITTEE, remarked that the primary difference structurally from the last committee substitute is the addition of the remaining slow track supplemental FY 08 items. He mentioned the addition of items from the Governor's FY 09 capital submission and Legislative re-appropriation requests.

Section 1, Page 2, slow track supplemental operating items for FY 08.

Section 4, Page 6, supplemental capital items.

Section 7, Page 10-17, prior committee substitute capital projects to enhance public safety, separating them from the capital budget.

Section 10, Page 18-59, regular section of the FY 09 capital budget requests.

[10:04:05 AM](#)

Mr. Baker continued with:

Section 10, Page 59, Line 24, for school construction. Department of Education section which includes a major maintenance grant in prior bill.

Section 10, Page 61, begins the capital projects for agencies.

Section 10, Page 84, an addition to this committee substitute for court system appropriations. All of the Alaska Court System FY 09 capital requests submitted by Governor. Increased the Anchorage Campus project from the Governor's request to \$8 million, an additional \$4 million.

[10:06:18 AM](#)

Mr. Baker continued with:

Section 11 and 12, Page 86-89, totals of the previous sections.

Section 13, Page 90, no changes in this section.

Section 13, Page 94 starts the language section of the bill. He highlighted that some of the language is part of the governor's slow track supplemental.

Section 43, Page 103 added a transferred \$55,000 from to the Life Alaska Donor Services.

Section 44, Page 103, line 19 added the handout from the Department of Education and Early development for energy relief.

[10:09:08 AM](#)

Mr. Baker continued with:

Section 47, Page 104 added FY 09 operating language for the Marine Highway for Kodiak service.

Section 48, Page 104, added two deposits to retirement systems to pay off unfunded liabilities for the judicial retirement and the National Guard.

Section 49, additional deposit of \$400 million to the Capital Budget Reserve.

Section 24, Page 97, subsection C-D, Line 22, deposit of \$25 million to Marine Highway stabilization system fund.

Section 24, Line 24, subsection D, FY 08 surplus being deposited into the Marine Highway vessel replacement fund.

Mr. Baker stated these were the principle sectional changes.

[10:12:13 AM](#)

Mr. Baker mentioned that additions since the previous Committee Substitute were:

The Department of Health and Social Services, for the Pioneer Home, the Youth Center and Health center deferred maintenance across the state.

Department of Education addition for the deferred maintenance at the Mt. Edgecumbe High School.

Department of Commerce addition of the Kodiak launch facility.

National Petroleum Reserve in Alaska (NPRA) grant program, Section 26, Page 98 added in the language section how that money will be appropriated.

Department of Administration included the Palmer Office Building.

Department of Transportation addition of the Marine Highway vessel overhaul and deferred maintenance items. The harbor transfer program, the Chignik Lagoon airport repairs, the Trunk road in the Mat-Su valley and the South Denali access road.

Department of Public Safety addition of the full amount for deferred maintenance.

[10:15:20 AM](#)

Mr. Baker continued listing:

Department of Natural Resources addition of the state parks sanitation and safety project, emergency repair

items, fire fighting equipment, and the last phase of the energy inventory project.

Department of Revenue addition for the child support services division computer upgrade project.

University addition of \$15.4 million deferred statewide for certain campuses.

[10:16:59 AM](#)

Mr. Baker revealed a total dollar amount in the new committee substitute totals \$1.782 billion for a \$214 million increase over the last Committee Substitute.

Co-Chair Stedman WITHDREW his objection. There being NO OBJECTION, Committee Substitute 25,GS2007\K, Kane, 3/31/08 was adopted as the working document before this Committee.

SB 221 was HEARD and HELD in Committee for further consideration.

ADJOURNMENT

The meeting was adjourned at 10:18 AM