

SENATE FINANCE COMMITTEE
April 8, 2008
4:27 p.m.

CALL TO ORDER

Co-Chair Stedman called the Senate Finance Committee meeting to order at [4:27:25 PM](#).

MEMBERS PRESENT

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

MEMBERS ABSENT

Senator Lyman Hoffman, Co-Chair
Senator Fred Dyson

ALSO PRESENT

Representative Lindsey Holmes; Representative Anna Fairclough; Katie Shows, Staff, Representative Paul Seaton; Chris Ashenbrenner, Executive Director, Council on Domestic Violence and Sexual Assault; Gail Fenumiai, Director, Division of Elections, Office of the Lieutenant Governor

PRESENT VIA TELECONFERENCE

SUMMARY

CSHB 289(FSH)

"An Act exempting employers from paying unemployment tax for temporary services provided by fishing vessel crewmembers and related to emergency oil spill training and response activities; and providing for an effective date."

CSHB 289 (FSH) was REPORTED out of Committee with no recommendations and an accompanying previously published fiscal note from the Department of Labor and Workforce Development.

CSHB 307(FIN)

"An Act relating to penalizing certain misdemeanor domestic violence assaults as felonies."

SCS CSHB 307 (JUD) was REPORTED out of Committee with a "do pass" recommendation and accompanying new fiscal notes from the Department of Law, the Department of Administration, the Senate Finance Committee, the Alaska Court System and a previously published zero fiscal note from the Department of Public Safety.

CSHB 406(STA)

"An Act relating to contracts for the preparation of election ballots."

CSHB 406 (STA) was REPORTED out of Committee with a "do pass" recommendation and a previously published zero fiscal note from the Office of the Governor.

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CS FOR HOUSE BILL NO. 289(FSH)

"An Act exempting employers from paying unemployment tax for temporary services provided by fishing vessel crewmembers and related to emergency oil spill training and response activities; and providing for an effective date."

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KATIE SHOWS, STAFF, REPRESENTATIVE PAUL SEATON presented an overview of the bill by referring to the Sponsor Statement:

HB 289 encourages participation in the state's oil spill response program by exempting fishing vessel owners and crew who participate from having to pay unemployment taxes while they are performing oil spill response duties.

Vessel owners and crew members undergo oil spill response training to be prepared to respond to state disasters as a service to the state on a voluntary basis. Training for the program and responding to small spills only takes a few days at a time, filing paperwork and paying unemployment taxes for such a short period of service is unreasonably burdensome. Because commercial fisherman are not covered by unemployment insurance when they engage in commercial fishing, most will not be in a position to have enough service time accrued to collect unemployment after having only worked a handful of qualified days in the oil spill response program.

In the unfortunate event of a large spill (such as the

Exxon Valdez), if vessels spend seven or more continuous days responding to an oil spill vessel owners would be required to participate in the unemployment system and their crew would be covered.

In summary, HB 289 encourages fisherman to continue to participate in the state's oil spill response program by removing burdensome unemployment requirements. The state needs more vessels willing and able to respond to such disasters and must work to remove barriers to their participation.

Ms. Shows remarked that commercial fishermen are exempt from paying and filing unemployment taxes as they are paid on a percentage of catch bases. She explained that the response training program is only for a few days a year therefore it would be unreasonable to expect fishermen to file the paper work for unemployment benefits they probably would not be eligible to receive. Many commercial fishermen have threatened to quit the program when they were made aware of the requirement to file unemployment insurance. She referenced letters of support for the bill (Copies on file).

Senator Thomas expressed his understanding regarding the situation but was curious about the definition of "temporary" being less than seven continuous days.

Ms. Shows responded that "temporary" would be seven continuous days regardless of when it takes place within the year. This number was arrived at after consultation with the Department of Commerce and boat captains.

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Senator Olson inquired how many oil spills there had been in the last five years.

Ms. Shows responded she did not have those numbers.

Senator Olson questioned how many fishermen have quit participating in the oil spill response program because this bill was not in place.

Ms. Shows responded that no one has quit at this time but letters have been received from fishermen threatening to quit.

[4:33:32 PM](#)

Senator Olson asked if there had been any opposition to bill. Ms. Shows responded there was no opposition.

Senator Olson MOVED to REPORT CSHB 289 (FSH) out of Committee with individual recommendations and accompanying fiscal note. There being NO OBJECTION, it was so ordered.

CSHB 289 (FSH) was REPORTED out of Committee with no recommendations and an accompanying previously published fiscal note from the Department of Labor and Workforce Development.

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CS FOR HOUSE BILL NO. 307(FIN)

"An Act relating to penalizing certain misdemeanor domestic violence assaults as felonies."

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REPRESENTATIVE LINDSEY HOLMES, the bill sponsor, presented an overview the bill. She stressed the intent behind the bill was to target the critical problem of domestic violence in Alaska. He noted that in 2005 there were six thousand reported cases of domestic violence in this state. Ms. Holmes referred to the Sponsor Statement:

Alaska's domestic violence rates are one of the highest in the country. Alaska currently has the highest per capita rate of female homicide death by a male perpetrator. This violence becomes a vicious cycle - according to the National Coalition against Domestic Violence, boys who witness domestic violence are twice as likely to abuse when they become adults. This cycle of violence needs to stop.

House Bill 307 seeks increased penalties for repeat domestic violence offenders. The bill provides that a domestic violence misdemeanor assault is treated as a felony if the offender has two prior convictions for domestic violence felonies or for domestic violence misdemeanor assault. The bill is narrowly tailored. It applies prospectively only, so all three offenses would need to occur after the effective date of the bill. It contains a 10 year look back, so all three offenses would need to occur within 10 years of each other.

As of 2005, at least 18 other states had enacted enhanced penalties for repeat domestic violence offenders. With this bill, Alaska will join these other states in sending a strong message that serial battering will not be tolerated.

Alaskans need to feel safe in their homes and in their relationships. Domestic violence harms everyone in a community, not just the victims. Increasing penalties

to repeat offenses is just one part of the solution to this complex problem.

Representative Holmes declared that many domestic violence perpetrators have a dozen or more misdemeanor assaults on their record. She stressed that this bill is not similar to the California "three strikes" where after three strikes the person is locked up for life. She noted that the bill has changed through the Committee process and now provides the best opportunity of actually convicting repeat domestic violence offenders. She referred to letters of support on file.

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Senator Olson inquired about the changes made by the various committees.

Representative Holmes responded that the bill was originally retrospective but now is a prospective bill. Originally there was not a ten year "look back." She revealed the most drastic change is originally it would have required the prosecutors to actually prove the element of domestic violence.

[4:40:07 PM](#)

Senator Huggins asked what prison time the felony conviction carried.

Representative Holmes replied a felony conviction for a first time felon ranges from zero to two years; for those with prior felonies it would be two to five years.

[4:40:30 PM](#)

Co-Chair Stedman reported that the public defenders in the Office of Public Advocacy are requesting a new employee position. He inquired if the Department of Law would be absorbing an extra work load.

Representative Holmes responded that the Department of Law should address that question.

Co-Chair Stedman referred to the fiscal notes attached to the bill.

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CHRIS ASHENBRENNER, EXECUTIVE DIRECTOR, COUNCIL ON DOMESTIC VIOLENCE AND SEXUAL ASSAULT spoke in support of the bill and referred to the letters of support available on file. She believed that repeat assailants should be held accountable by moving their repeat crimes from misdemeanors to felonies.

[4:44:17 PM](#)

Senator Olson inquired if there was any documentation that the implementation this bill would cut down on the number of repeat offenders.

Ms. Ashenbrenner responded that many states carry this progressive penalty but she was not aware of any studies to measure the effect.

[4:45:03 PM](#)

Senator Huggins MOVED to REPORT SCS CSHB 307 (JUD) out of Committee with individual recommendations and attached fiscal notes.

Senator Elton OBJECTED for discussion.

Senator Elton warned the Department of Corrections that in the future he many not support legislation that does not reflect the true cost component in the fiscal note. He believed that prisons often were just warehousing prisoners who were then released to commit the same crimes again.

[4:47:56 PM](#)

Senator Elton WITHDREW his OBJECTION. There being NO further OBJECTION, it was so ordered.

SCS CSHB 307 (JUD) REPORTED out of Committee with a "do pass" recommendation and accompanying new fiscal notes from the Department of Law, the Department of Administration, the Senate Finance Committee, the Alaska Court System and a previously published zero fiscal note from the Department of Public Safety.

[4:48:42 PM](#)

CS FOR HOUSE BILL NO. 406(STA)

"An Act relating to contracts for the preparation of election ballots."

[4:48:53 PM](#)

REPRESENTATIVE ANNA FAIRCLOUGH provided an overview of bill. She explained that the bill addresses ballot printing. Currently the state does not use the procurement code, only a sole source method, to supply printed ballots for Alaska's election system. This bill proposes a process that is competitive but with quality assurance and timeliness. She noted that quality ballots are essential to good election

processes in the state. She referred to letters and departments who supported the bill.

Representative Fairclough explained the changes in the bill. On page 1, line 14, the word "may" has been substituted for "shall." In Section 1515.031, page 4, it lays out the ability for the Division of Elections to look at preparing a contract for bid with the procurement process. Inside the bid process, it is the intention to provide an Alaska bidder preference as referred to on line 10, with the outline definition of an "Alaska offeror." On page 4, line 28 there is a definition of an "Alaska product" preference.

Co-Chair Stedman questioned if this would have any effect on the upcoming fall 2008 elections.

Representative Fairclough responded it will not effect the upcoming elections since the bill will take effect in January 2009.

[4:52:09 PM](#)

Senator Elton asked about the timelines and mechanics related to this change. He wondered if the time lines were being moved up to a point where it might be difficult for the division to obtain requests for proposals.

[4:53:19 PM](#)

GAIL FENUMIAI, DIRECTOR, DIVISION OF ELECTIONS, OFFICE OF THE LIEUTENANT GOVERNOR reported that since the bill would start during an "off" election year the division plans to send out requests for proposals in the early part of 2009. The Division feels that starting on smaller locals elections will give them an opportunity to test contractors and not have to search for competitive contracts during a primary or election year.

Senator Elton questioned how the "cost" terms would be negotiated.

Ms. Fenumiai replied that the Division had not settled on a final decision but it would probably be on a "market basket" approach involving different pricing specs based on needed sizes and numbers.

Senator Elton questioned the difficulty of the process when candidates may not be known until the last minute.

[4:55:48 PM](#)

Ms. Fenumiai responded that there would be flexibility for vendors and bid solicitors.

4:56:18 PM

Senator Thomas MOVED to REPORT CSHB 406 (STA) out of Committee with individual recommendations and attached fiscal note. There being NO OBJECTION, it was so ordered.

CSHB 406 (STA) was REPORTED out of Committee with a "do pass" recommendation and an accompanying previously published zero fiscal note from the Office of the Governor.

ADJOURNMENT

The meeting was adjourned at 4:57 PM