

ALASKA STATE LEGISLATURE
SENATE STATE AFFAIRS STANDING COMMITTEE

February 21, 2008

9:06 a.m.

MEMBERS PRESENT

Senator Lesil McGuire, Chair
Senator Gary Stevens, Vice Chair
Senator Hollis French
Senator Lyda Green
Senator Con Bunde

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

SENATE BILL NO. 232

"An Act authorizing the governor to delegate to the adjutant general the authority to order the organized militia into active state service and authorizing the payment of Alaska National Guard called into active state service to fight wildfires at rates of pay established for certain emergency fire-fighting personnel; and providing for an effective date."

MOVED SB 232 OUT OF COMMITTEE

CS FOR HOUSE BILL NO. 15(RES)

"An Act relating to participation in matters before the Board of Fisheries by members of the board and to the definition of 'immediate family member' under the Alaska Executive Branch Ethics Act as that Act applies to members of the Board of Fisheries; and providing for an effective date."

HEARD AND HELD

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."

HEARD AND HELD

PREVIOUS COMMITTEE ACTION

BILL: SB 232

SHORT TITLE: NAT'L GUARD: COMMAND/ACTIVE SERVICE/PAY

SPONSOR(S): RULES BY REQUEST OF THE GOVERNOR

01/18/08 (S) READ THE FIRST TIME - REFERRALS
01/18/08 (S) STA, FIN
02/21/08 (S) STA AT 9:00 AM BELTZ 211

BILL: HB 15

SHORT TITLE: BOARD OF FISHERIES CONFLICTS OF INTEREST

SPONSOR(S): REPRESENTATIVE(S) SEATON

01/16/07 (H) PREFILE RELEASED 1/5/07
01/16/07 (H) READ THE FIRST TIME - REFERRALS
01/16/07 (H) FSH, RES
03/14/07 (H) FSH AT 8:30 AM BARNES 124
03/14/07 (H) Heard & Held
03/14/07 (H) MINUTE(FSH)
03/19/07 (H) FSH AT 8:30 AM BARNES 124
03/19/07 (H) Heard & Held
03/19/07 (H) MINUTE(FSH)
03/21/07 (H) FSH AT 8:30 AM BARNES 124
03/21/07 (H) Heard & Held
03/21/07 (H) MINUTE(FSH)
03/23/07 (H) FSH AT 8:30 AM BARNES 124
03/23/07 (H) Moved CSHB 15(FSH) Out of Committee
03/23/07 (H) MINUTE(FSH)
03/27/07 (H) FSH RPT CS(FSH) 2DP 3NR 1AM
03/27/07 (H) DP: LEDOUX, SEATON
03/27/07 (H) NR: JOHNSON, HOLMES, EDGMON
03/27/07 (H) AM: WILSON
05/02/07 (H) RES AT 1:00 PM BARNES 124
05/02/07 (H) Scheduled But Not Heard
05/07/07 (H) RES AT 1:00 PM BARNES 124
05/07/07 (H) Moved CSHB 15(RES) Out of Committee
05/07/07 (H) MINUTE(RES)
05/08/07 (H) RES RPT CS(RES) NT 6DP 3NR
05/08/07 (H) DP: SEATON, KOHRING, EDGMON, WILSON,
ROSES, GATTO
05/08/07 (H) NR: GUTTENBERG, KAWASAKI, JOHNSON
01/23/08 (H) TRANSMITTED TO (S)
01/23/08 (H) VERSION: CSHB 15(RES)
01/25/08 (S) READ THE FIRST TIME - REFERRALS
01/25/08 (S) STA, RES, FIN
02/21/08 (S) STA AT 9:00 AM BELTZ 211

BILL: HB 260

SHORT TITLE: STATE OFFICERS COMPENSATION COMMISSION
SPONSOR(S): REPRESENTATIVE(S) DOOGAN

05/15/07	(H)	READ THE FIRST TIME - REFERRALS
05/15/07	(H)	STA, FIN
01/17/08	(H)	STA AT 8:00 AM CAPITOL 106
01/17/08	(H)	Heard & Held
01/17/08	(H)	MINUTE(STA)
01/19/08	(H)	STA AT 11:00 AM CAPITOL 106
01/19/08	(H)	Moved CSHB 260(STA) Out of Committee
01/19/08	(H)	MINUTE(STA)
01/22/08	(H)	STA RPT CS(STA) 1DP 3NR 2AM
01/22/08	(H)	DP: ROSES
01/22/08	(H)	NR: JOHNSON, JOHANSEN, LYNN
01/22/08	(H)	AM: COGHILL, DOLL
01/30/08	(H)	FIN AT 1:30 PM HOUSE FINANCE 519
01/30/08	(H)	Moved CSHB 260(STA) Out of Committee
01/30/08	(H)	MINUTE(FIN)
01/31/08	(H)	FIN RPT CS(STA) 2DP 2DNP 4NR 1AM
01/31/08	(H)	DP: CRAWFORD, NELSON
01/31/08	(H)	DNP: STOLTZE, KELLY
01/31/08	(H)	NR: GARA, THOMAS, MEYER, CHENAULT
01/31/08	(H)	AM: HAWKER
02/08/08	(H)	TRANSMITTED TO (S)
02/08/08	(H)	VERSION: CSHB 260(STA)
02/11/08	(S)	READ THE FIRST TIME - REFERRALS
02/11/08	(S)	STA, FIN
02/21/08	(S)	STA AT 9:00 AM BELTZ 211

WITNESS REGISTER

MCHUGH PIERRE, Legislative Liaison
Department of Military and Veterans Affairs (DMVA)
Juneau AK

POSITION STATEMENT: Presented SB 232.

LYNN WILCOCK, Chief
Fire and Aviation,
Department of Natural Resources (DNR)
Fairbanks AK

POSITION STATEMENT: Spoke in favor of SB 232.

CHRIS MAISCH, Director
Division of Forestry
Department of Natural Resources
Fairbanks AK

POSITION STATEMENT: Spoke in favor of SB 232.

REPRESENTATIVE PAUL SEATON
Alaska State Legislature
Juneau AK

POSITION STATEMENT: Presented HB 15.

CLEM TILLION
Homer AK

POSITION STATEMENT: Spoke in favor of HB 15.

RICKY GEASE, Executive Director
Kenai River Sportfishing Association
Kenai AK

POSITION STATEMENT: Spoke to HB 15.

JERRY MCHUNE
United Fishermen of Alaska
Juneau AK

POSITION STATEMENT: Spoke in favor of HB 15.

BRYCE WRIGLEY
Alaska Farm Bureau
Delta Junction AK

POSITION STATEMENT: Spoke in favor of an amendment to HB 15.

REPRESENTATIVE MIKE DOOGAN
Alaska State Legislature
Juneau AK

POSITION STATEMENT: Presented HB 260.

SENATOR KIM ELTON
Alaska State Legislature
Juneau AK

POSITION STATEMENT: Spoke in favor of HB 260.

ACTION NARRATIVE

CHAIR LESIL MCGUIRE called the Senate State Affairs Standing Committee meeting to order at [9:06:07 AM](#). Senators Green, Stevens, Bunde, and McGuire were present at the call to order. Senator French arrived soon thereafter.

SB 232-NAT'L GUARD: COMMAND/ACTIVE SERVICE/PAY

[9:06:42 AM](#)

CHAIR MCGUIRE announced the consideration of SB 232.

MCHUGH PIERRE, Legislative Liaison, Department of Military and Veterans Affairs (DMVA), said SB 232 came about in 2004 when the Alaska National Guard was fighting Alaska's extreme fires alongside staff from the Department of Natural Resources (DNR) and the Bureau of Land Management (BLM). There are two different pay rates: one for emergency firefighters and one for active duty guard members. The guard was making one fourth to one half of what the others were making. The commissioner of DMVA told the DNR commissioner, and he said, "We've got the money, let's just pay them." But statute requires the state to pay active duty rates, and Section 2 of SB 232 will change that. Section 1 "will allow a little more freedom for when there are other events when the governor is not as available to be reached." Her authority can be delegated to the commissioner of DMVA, who is also an adjutant general of the Alaska National Guard. The commissioner would be delegated to activate National Guard forces for whatever the governor provides for, prior to the situation.

CHAIR MCGUIRE asked if changing the statute to reflect this one circumstance will cause a wholesale rate change.

MR. PIERRE said the bill only addresses wildfire fighting. The rates are set by DNR and BLM and only when the National Guard is called to action. It happens every summer, and guard people know that [this pay] is not the norm. It is an exception for wildfire fighting because of its danger.

[9:09:29 AM](#)

SENATOR GREEN asked if the National Guard gets the same professional training as other firefighters.

MR. PIERRE said they are only called for specific duties that they are capable of doing, like crew chief and helicopter pilot.

SENATOR STEVENS said he served as an army officer. A person in the military doesn't have a choice when called. Firefighters can choose not to work.

MR. PIERRE said that is true, but the guard is the last line of defense. Private contractors are called first. When called, guard leadership determines what specific job a member will do.

[9:11:22 AM](#)

SENATOR STEVENS said everyone can agree to equal pay for equal worked, but he asked if the military gets benefits that the other firefighters don't, like the use of the "PX."

MR. PIERRE said there are the benefits to National Guard members, "however, through this legislation they'll be treated just like any other wildfire fighter on the scene." This includes worker's compensation and medical benefits. When they get off of the fire, they will be treated just like they were in the National Guard again.

SENATOR GREEN asked if the department gets compensated for the use of the equipment.

LYNN WILCOCK, Chief, Fire and Aviation, DNR, Fairbanks, said "They do get compensated basically for their costs of [indecipherable] aircraft, and that is primarily what we're talking about here is the National Guard Blackhawks and making sure that the pilots and the support personnel that support those helicopters receive equal pay." Commissioner Irwin recognized it in 2004. The guard is extremely valuable and is used after all civilian assets are used. They are also used while waiting for workers to arrive from the Lower 48.

[9:13:27 AM](#)

SENATOR GREEN said she was noting the DNR budget "and it is always amazing to read and see the figures of the set-aside cost and then tack on the per hour cost." She wanted to make sure DMVA was getting "a few bucks for their rental."

MR. WILCOCK said aviation assets are getting expensive, and the guard is paid for their costs.

SENATOR BUNDE asked if the proposed \$35 per hour is what a state helicopter pilot would be paid.

MR. WILCOCK said the emergency firefighter rates are based on the federal government rate for similar jobs, adjusted for inflation each year. "That is a comparable rate for a pilot if we were to hire that person as a pilot for the state of Alaska."

SENATOR BUNDE asked if a private pilot makes more.

MR. WILCOCK said he is not sure because that rate is established by the company. But he expects it is more.

SENATOR BUNDE said fixed-wing pilots were paid \$60 per hour 15 years ago, but he is not suggesting a raise for state employees.

[9:15:28 AM](#)

SENATOR STEVENS asked what happens if the guard is firefighting and their services are needed elsewhere.

MR. PIERRE said a priority would remove them from the fire.

[9:16:00 AM](#)

CHRIS MAISCH, Director, Division of Forestry, DNR, Fairbanks, said the commissioner of DNR supports equal pay for equal work, and he is enthusiastic about the bill.

SENATOR BUNDE said some Alaskans "off the end of the road" say they get no services, but with the cost of fires in remote areas, "they get a substantial state service."

SENATOR STEVENS moved SB 232 from committee with individual recommendations and attached fiscal note(s). There being no objection, SB 232 passed out of committee.

HB 15-BOARD OF FISHERIES CONFLICTS OF INTEREST

[9:17:58 AM](#)

CHAIR MCGUIRE announced the consideration of HB 15. [Before the committee was CSHB 15(RES).]

REPRESENTATIVE PAUL SEATON, Alaska State Legislature, said HB 15 expands the ability of the Board of Fish to do its job. Current law requires members to declare a conflict of interest and recuse themselves from discussion and voting if they, or a member of their family, have a personal or financial interest in a matter. This prevents them from using their expertise on the board -- expertise they were appointed for. The board has seven members. At least one member is recused in about 10 percent of board proposals. Current law disproportionately affects rural Alaska where fishing may be the economic mainstay. Any long-term resident of Bristol Bay, for example, has numerous family members involved in fishing. Currently, immediate family includes parents, children, siblings, grandparents, aunts, and uncles. This expansive definition means that a person in Togiak with a fishing relative in Dillingham can't even discuss that issue.

[9:20:37 AM](#)

REPRESENTATIVE SEATON said HB 15 changes the definition of family to the same as is used in the legislature. So family includes a spouse, domestic partner, or any child or parent in the home that is a dependent. The bill sunsets in 2011 with a required report to determine if it had the desired effect of a

useful system without conflicts of interest. He provided a comparison of definition of family member and a list of the recusals for several different boards.

9:22:48 AM

REPRESENTATIVE SEATON said the medical board has never had a recusal. A surgeon will vote on a surgical question. It is being applied so differently on other boards than the Board of Fish. A charter vessel or commercial vessel is licensed to an area. In Bristol Bay there may be 1,400 people with permits, but it is not the entire state. The attorney general for the Board of Fish has determined it very narrowly.

9:25:11 AM

CLEM TILLION, Homer, AK, said he supports the bill and doesn't like the sunset. When he was in charge of appointing the board for Walter Hickel, he appointed someone from Sand Point and someone from Naknek - people on both sides. "They became great friends because they both set in the hallway, unable to testify, and they were the only ones who knew anything about it." He said he has had proposals before the board that everyone was in favor of, but having a missing board member made it impossible to get the votes to do anything. The board was paralyzed even though they were unanimous because people had to recuse themselves. "What we did in the legislature is the right way to do it." Some members might not want to vote, so they stretch the rules to recuse themselves. That is a no vote, which isn't good when their constituents wanted a yes vote. HB 15 is very much needed. He said he appears before the board "quite frequently."

RICKY GEASE, Executive Director, Kenai River Sportfishing Association, said he supports parts of the bill, like redefining immediate family. In small communities the extended family concept causes unnecessary recusals. Page 2, line 14, needs a definition of "substantial," and if it is a dollar amount or a percentage of income. One must be careful when allowing a person with a financial interest to participate in board deliberations. The Board of Fish gets information from the public through testimony and committee work. There are various user groups arguing over proposals, and there are significant allocative decisions with financial implications. Allowing a member with a financial interest to deliberate gives that group an unfair advantage. Other groups may be left out of the deliberations. If this bill is passed with the ability for a person with a financial interest to deliberate, the board appointments will be much more political. There are more than seven user groups in

the state, and all of the groups will want a member on the seven-person board. That will add a lot of appointment pressure.

9:30:57 AM

SENATOR GREEN asked if there is a clear line separating deliberations from receiving testimony.

MR. GEASE said the board first receives department reports, it then takes public testimony, and then proposals will be put in committees. Usually two to three board members will lead a committee through the different proposals and go back and give a report on where the public stood. Then the board goes into deliberations, and it is important what questions are asked in that process. The public is excluded, so some user groups may be represented, and it can be perceived as an unfair advantage.

9:32:45 AM

SENATOR GREEN asked if it's OK for conflicted members to participate in everything down to deliberations, and then they should recuse themselves.

MR. GEASE said that is the current situation. If a person is recused, he or she can pose as a member of the public and provide information and testify. There might not be the ability for the expertise to be used in the deliberative process, but it can be shared with the board. But the deliberative mode could be used advantageously from a user-group perspective.

SENATOR GREEN asked if Mr. Gease likes the redefinition of the family member.

MR. GEASE said yes, that will reduce the number of recusals, but if there is a direct financial conflict of interest, it would be unfair for that member to deliberate and just be recused from the vote. Proposals usually address allocations between user groups. User groups will then press for a member on the board.

SENATOR GREEN asked if every member is able to freely talk and contribute prior to deliberations, regardless of conflict.

9:35:26 AM

MR. GEASE said yes, up until the point where the board officially takes up a proposal.

SENATOR GREEN asked if any member that anticipates a proposal can share all of their information at that time.

MR. GEASE said that is correct. The deadline for proposals is usually eight to twelve months ahead of time. So when preparing for the board meeting, the members will have an idea of where there will be conflicts of interest, "and they have plenty of opportunity to provide their expertise and input into a proposal if they are conflicted out" - just like any citizen.

SENATOR GREEN asked if the board has open discussions after deliberations.

MR. GEASE said once the deliberative process starts, the public input is limited, unless a proposal was tabled for further consideration. Very few tabled proposals are taken up later. The public doesn't have the chance to provide comments once the board is deliberating. There may be amendments during the deliberative process, he noted.

9:38:22 AM

SENATOR STEVENS asked about the board having so many recusals that there are not enough votes to take action.

MR. GEASE said he has seen a couple times where members were conflicted out, but often the board will vote unanimously. The closer votes tend to be very allocative, and the vote might swing to reflect financial connections. If a proposal really makes sense, it will pass six or seven to zero. He spoke of ethical problems. This bill will still put the board in the position of not allowing somebody to vote, but it will allow someone with a financial interest to deliberate when other members of the public with an interest will not be able to.

9:40:13 AM

JERRY MCHUNE, United Fishermen of Alaska, Juneau, said his group supports HB 15 as written. The bill has been around for ten years, and recusal from voting was one of the compromises. It swings both ways because conflict of interest can happen in any party. "People sometimes bring it to the table just to try and conflict people out." There are only seven board members, and it is not just about Cook Inlet - board meetings occur around the state. Crab experts have been conflicted out because they either crewed or they owned a vessel, so they had to sit in the audience and not say anything. If a question comes up, the member can't say anything. Everybody should be able to deliberate, and it is a good compromise. He supports the family definition because he could have a second cousin in Bristol Bay that he didn't even like, and he would be recused.

CHAIR MCGUIRE noted that Bryce Wrigley will speak about the Board of Agriculture and Conservation.

9:42:25 AM

BRYCE WRIGLEY, Alaska Farm Bureau, Delta Junction, said that when people are selected to represent an area or industry sector, they need to participate in discussions. If there is a conflict of interest, it is the member's duty to inform the chair so the chair can rule on the ability to vote. But it is important to participate in the discussion. HB 15 addresses a similar problem on his board. When farmers are on the board, they have been kept from discussion. It makes him wonder why there is a board if members can only discuss things they do not know anything about. He wants HB 15 to be amended to add the Board of Agriculture and Conservation. All the legislators he has spoken to said it sounds reasonable. He listed legislators he spoke to about the topic.

9:45:12 AM

SENATOR GREEN moved Amendment 1, labeled 25-LS0114\K.2, Kane 2/21/08, as follows:

Page 1, line 1, following "the":

Insert "**Board of Agriculture and Conservation and the**"

Page 1, line 2:

Delete "**board**"

Insert "**boards**"

Page 1, line 3, following "the":

Insert "**Board of Agriculture and Conservation and the**"

Page 1, line 8, following "of the":

Insert "Board of Agriculture and Conservation and the"

Page 1, line 9:

Delete "a lay board"

Insert "lay boards"

Page 1, line 10:

Delete "board" in both places

Insert "boards" in both places

Page 1, line 11, following "participation in":

Insert "certain agricultural programs or in"

Page 1, line 13:

Delete "a new subsection"
Insert "new subsections"

Page 1, line 14:
Delete "(f)"
Insert "(g)"

Page 2, following line 6:
Insert a new subsection to read:
"(h) Notwithstanding any other provision of this chapter, a personal or financial interest in a matter arising directly from involvement of the member of the Board of Agriculture and Conservation, or of the board member's immediate family, and conducted under a lease, permit, installment contract, or loan or purchase of land under AS 03.10 or under AS 38.05 does not disqualify a member of the Board of Agriculture and Conservation from deliberating on a matter before the board. Before deliberating, the member shall disclose the interest on the record. If a conflict is determined to exist, the member may not vote on the issue."

Page 2, line 8, following "the":
Insert "**Board of Agriculture and Conservation and the**"

Page 2, line 10, following "the":
Insert "Board of Agriculture and Conservation or the"

Page 2, line 16:
Delete "AS 39.52.120(f) is"
Insert "AS 39.52.120(g) and 39.52.120(h) are"

Page 2, line 19, following "RECOMMENDATIONS.":
Insert "(a)"

Page 2, line 20:
Delete "AS 39.52.120(f)"
Insert "AS 39.52.120(g)"

Page 2, line 24:
Delete "AS 39.52.120(f)"
Insert "AS 39.52.120(g)"

Page 2, following line 24:
Insert a new subsection to read:
"(b) The Department of Natural Resources shall review AS 39.52.120(h), added by sec. 2 of this Act, and not later than

January 31, 2011, submit a report to the legislature that compares the effect of that subsection on the rate of recusals by members of the Board of Agriculture and Conservation in matters that have come before the board and make a recommendation regarding whether the effective date of the repeal of AS 39.52.120(h), made by sec. 7 of this Act, should be extended."

[9:45:22 AM](#)

SENATOR STEVENS objected to hear from Representative Seaton.

REPRESENTATIVE SEATON said he doesn't have an objection to the amendment, but there is a difference "in these." He said the current bill allows deliberation by a person who has a participatory interest, like a sportfishing guide license or a commercial fishing license, but not by a lobbyist or anyone who is paid to be at the board, like an executive director of an organization. People who are hired to promote a user group will not be able to participate in that deliberation. There is quite a difference between participatory interest and lobbying interest. The one situation is a moral conflict, and the other is serving the people that hired you. On page 2, line 2, HB 15 states that the interest goes as far as permit or license holders. He doesn't see anything in Amendment 1 that changes that, but he wanted to point it out. It was a delicate balance. He didn't want a situation where everyone wanted their executive director on the board so they could bring home the bacon. HB 15 doesn't open the possibility of hired lobbyists deliberating or voting on the board.

[9:48:51 AM](#)

CHAIR MCGUIRE asked what that has to do with the amendment.

REPRESENTATIVE SEATON said this amendment has different language pertaining to the Board of Agriculture, and he wanted to ensure that the same language won't apply to the Board of Fish.

CHAIR MCGUIRE said she will set the bill aside and get an opinion on Amendment 1.

[9:49:49 AM](#)

SENATOR FRENCH asked how many boards need this change.

SENATOR GREEN asked if the agriculture board has a similar process for reviewing proposals as the Board of Fish.

MR. WRIGLEY said he was surprised that the Board of Fish knew the issues several months ahead of time. That is not the case with his board. His board has public comment at the beginning of the board meeting, and once deliberations begin, other questions come up. If someone is recused, there is no good way to get information. He said they could get out of the deliberative mode to discuss that issue and then go back in, but meetings can last all day, and the on-line participants can't wait for the possibility to speak again. The bill will allow discussion with those who were appointed to represent an area or a sector, and it allows the treatment of the issues once public testimony is closed. But it does allow recusals from voting.

SENATOR GREEN asked if the public can weigh in after deliberations begin.

MR. WRIGLEY said no.

SENATOR GREEN asked who is on the board from Mr. Wrigley's area, Fairbanks, Palmer and Tok.

MR. WRIGLEY said there is not one from those four areas. The farming seats are restricted to those who have an interest in farming. Homer and Kodiak were represented in the past. Mt. McKinley meats members were not allowed to speak to it, and yet they were the only people who knew anything about meat. If you have an interest in a certain sector, you're prevented from discussing that sector. Consequently the only things you are allowed to testify to or discuss are those things that you don't have any knowledge about.

[9:54:05 AM](#)

SENATOR GREEN noted that there is no statewide participation on the board. Her district is well represented.

REPRESENTATIVE SEATON said there is a technical amendment regarding a statutory reference.

CHAIR MCGUIRE set HB 15 aside.

HB 260-STATE OFFICERS COMPENSATION COMMISSION

CHAIR MCGUIRE announced the consideration of HB 260. [Before the committee was CSHB 260(STA).]

[9:54:56 AM](#)

REPRESENTATIVE MIKE DOOGAN, Alaska State Legislature, said HB 260 re-establishes a compensation commission for the principle officers of Alaska. There was a working compensation commission in 1979, and Senator Elton was a public member. An attempt was made to reestablish a similar commission in 1986, but it was dependent upon a constitutional amendment that never passed. HB 260 has a repeal of that inactive commission. The bill provides for five members with three public members, all appointed by the governor. No member will have served in any of the offices that the commission will consider for compensation in the previous four years. It will be staffed by the Department of Administration, and the fiscal note is \$7,500. It will report every two years. Recommendations by the commission will take effect unless specifically rejected by the legislature. It would require an appropriation so the legislature will get two looks at "this provision." There are about 20 such commissions throughout the country.

[9:57:48 AM](#)

SENATOR BUNDE asked if this would be like Congress where if the legislature fails to vote no, the raise is automatic.

REPRESENTATIVE DOOGAN said no, because of the appropriation.

SENATOR BUNDE said Congress automatically gets a raise if the commission recommends it so they can say, "the devil made me take this money."

[9:58:46 AM](#)

CHAIR MCGUIRE said there is the overt rejection, but there is an appropriation requirement. People wanted to move the capital and because of the FRANK initiative "and other things," it ended up being "the lack of an appropriation that ended up not solidifying parts of that." If the intent is to have an effective system of compensating lawmakers based on the recommendations of this commission, "I have wondered whether having the step of appropriating it might be the death of it."

REPRESENTATIVE DOOGAN said it could, but he couldn't find a way to remove the legislative power of appropriation from the bill.

CHAIR MCGUIRE said to go upstairs to get some ideas.

REPRESENTATIVE DOOGAN said the legislature does have to appropriate the money. He has tried to remove the legislature as much as possible because he believes rational decision-making comes from citizens without anything "on the table."

SENATOR BUNDE said to get citizen participation the money has to come out of the earnings reserve of the Permanent Fund.

[10:00:51 AM](#)

SENATOR KIM ELTON, Alaska State Legislature, said he is not here in the capacity of a senator, but he will speak to 30 years ago when he served on a salary commission. The impetus for the commission was a successful initiative that repealed an act that raised salaries for legislators and created a very generous retirement system. Commission members were appointed by the governor. He doesn't remember if there were qualifications for serving. HB 260 does have one condition. All of the members on the old commission were from the private sector and did not hold a state or municipal job. One problem was its scope of authority; it reviewed the salaries of all elected officials from governor, judges, and down to division directors. It wasn't that burdensome on the commission, but it created issues in the legislative branch when recommendations were made. "There were so many different recommendations ... that it created an opportunity for so many legislators who disagreed with one element to be displeased with the recommendation."

[10:04:55 AM](#)

SENATOR ELTON said the commission was abandoned and attempts to resurrect one have not been successful. He thinks the notion behind a salary commission makes sense, and this narrower one is better than the previous commission.

[10:05:47 AM](#)

SENATOR STEVENS asked if a fair salary would have had an impact on the ethical lapses that have occurred "in this building."

SENATOR ELTON said yes, but he can't quantify the extent. A greater impact will be on the demographics of the body, and not on its ethics. Most members are old white guys who have paid off their homes. It is difficult for a younger person with house payments and kids at home to leave their profession and serve. This is his personal philosophy. The salary of an ethically-challenged person might not matter. But he hopes that [higher salaries] will change the demographics of both bodies.

SENATOR FRENCH said the bill is overdue. HB 260 doesn't say how often the commission will meet. He wants the commission to look at whether the state really has a citizen's legislature or not. "We want to think we have that," but he can only think of a few members who are able to hold on to their jobs. It is hard to do

something else while working at the legislature, and members end up becoming a professional legislator over time.

10:09:09 AM

SENATOR ELTON said it is an important question, and there are entities that could help answer that. The National Conference on State Legislatures rates Alaska as trending toward a full-time legislature. The commission could get that information easily without listening to legislators.

SENATOR BUNDE asked if Representative Doogan sees this commission recommending a full-time legislature. The part-time one was established by the constitution. "There seems to be some inconsistency between the fervor for a 90-day session and the willingness of the public to support a full-time legislature."

10:11:42 AM

REPRESENTATIVE DOOGAN said it is a difficult question because Alaska has a citizen legislature but they are all professionals since they get paid to legislate. The question is if it is full time or part time, which is quantifiable. The days and hours can be measured. It is his hope that the commission would look at the indicators of what is actually happening versus a theory of what is happening, and make a recommendation based on that.

SENATOR BUNDE asked about long-term per diem for people who live in Juneau. If flies in the face of the definition. Another term may be more appropriate.

10:13:54 AM

REPRESENTATIVE DOOGAN said it is difficult to explain his long-term per diem, whereby he gets paid when at home. He recommends not calling it something that nobody else in the world would call it. The IRS won't call it per diem, because it is taxed.

SENATOR BUNDE said he suspects that long-term per diem was coined when there was smoke and mirrors. It is indeed a stipend.

10:15:59 AM

SENATOR GREEN wondered if it was coined for "out-of-towners." When she heads into a town for a meeting, it's different. Senator Stevens flies. Her previous district could take her from Eureka to Talkeetna. A woman needs to take someone with her, so she has to buy extra meals, and that isn't easy to claim. "It wasn't designed for urban legislators as much as ... out-of-towners."

CHAIR MCGUIRE said "You face this dilemma where you actually are working and most people who claim long-term per diem will spend the whole day working on legislative stuff, and so if you don't take it, then what do you do?" If it is taken, it is difficult to explain. "We all know it's compensation for what you're doing, but the name ends up being odd." She wants this discussion to be used by the commission. Travel for people who live outside the highway system creates some disparities. She said the legislators with retirements think this job is something to do later in life and shouldn't be paid full-time salaries. She chairs and vice-chairs a nationwide group, and she does it to put Alaska in a good light. She brings information to Alaska. She loves her job, and she doesn't know how to do it part time. Voices of people in their earning years should be heard in this building. Gender comes into play, and she thought of an option of allowing the choice to be a part-time or full-time lawmaker. Some may want full-time legislators, and some may not. She said to start calling a spade a spade. "We're not being really direct about the amount of work that's done, what we're paid for it, and how that ought to work."

[10:20:22 AM](#)

REPRESENTATIVE DOOGAN said his age-group (60 years old) is vastly overrepresented. Everyone was happily surprised at Alaska's participation in the [recent national presidential] caucuses, and that happened because they felt they could make a difference. He said if more people could do their public service without having to abandon their private lives, there may be more options come election time.

CHAIR MCGUIRE said no one believes that being a lawmaker should be lucrative. It is public service, but should there be a basic salary to pay bills?

SENATOR STEVENS said he likes the idea of a citizen legislature, but he works almost everyday. It is not full time, but it certainly isn't part-time work. The difference between a citizen and professional legislature is how much a person gets paid.

[10:24:21 AM](#)

SENATOR BUNDE said the public often sees the legislature like the fire department that is on call when someone has a problem. That dichotomy will be difficult to change. Citizens only want a full-time legislator when they need one. It is constitutional to be a part-time body. This commission will be educational.

REPRESENTATIVE DOOGAN said a person called him when he was running for election and asked why he wasn't in his office when he dropped by. Representative Doogan told him that his job wasn't full time. The man responded: "I don't want you to be there full time, just when I come to see you."

CHAIR MCGUIRE held HB 260 in committee.

There being no further business to come before the committee, Chair McGuire adjourned the meeting at [10:26:55 AM](#).