

ALASKA STATE LEGISLATURE
SENATE STATE AFFAIRS STANDING COMMITTEE

April 8, 2008

9:09 a.m.

MEMBERS PRESENT

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

MEMBERS ABSENT

Senator Con Bunde

COMMITTEE CALENDAR

CONFIRMATION HEARING: State Commission for Human Rights

Grace Merkes

Robert B. Sawyer, Jr.

Mark S. Fish

CONFIRMATIONS ADVANCED

HOUSE BILL NO. 414

"An Act relating to the crime victim compensation fund."

MOVED HB 414 OUT OF COMMITTEE

CS FOR HOUSE BILL NO. 368(FIN) am

"An Act amending the Legislative Ethics Act to modify the limitation on political fund raising by legislators and legislative employees during legislative sessions, to allow legislators and legislative employees to accept certain gifts from lobbyists, to clarify the Legislative Ethics Act as it relates to legislative volunteers and educational trainees, to reduce the frequency of publication of summaries by the Select Committee on Legislative Ethics, and to revise procedures and fines related to the late filing of disclosures required by the Legislative Ethics Act."

HEARD AND HELD

HOUSE JOINT RESOLUTION NO. 40 am

Relating to defending the state from electromagnetic pulse attacks.

MOVED HJR 40 am OUT OF COMMITTEE

CS FOR HOUSE BILL NO. 305(RLS) am

"An Act relating to campaign fund raising during a regular or special legislative session; and providing for an effective date."

SCHEDULED BUT NOT HEARD

PREVIOUS COMMITTEE ACTION

BILL: HB 414

SHORT TITLE: CRIME VICTIM COMPENSATION FUND

SPONSOR(S): JUDICIARY

02/25/08	(H)	READ THE FIRST TIME - REFERRALS
02/25/08	(H)	JUD, FIN
03/03/08	(H)	JUD AT 1:00 PM CAPITOL 120
03/03/08	(H)	Moved Out of Committee
03/03/08	(H)	MINUTE(JUD)
03/04/08	(H)	JUD RPT 5DP 1NR
03/04/08	(H)	DP: GRUENBERG, DAHLSTROM, SAMUELS, HOLMES, RAMRAS
03/04/08	(H)	NR: COGHILL
03/11/08	(H)	FIN AT 1:30 PM HOUSE FINANCE 519
03/11/08	(H)	Scheduled But Not Heard
03/12/08	(H)	FIN RPT 6DP 1NR
03/12/08	(H)	DP: HAWKER, NELSON, GARA, CRAWFORD, THOMAS, MEYER
03/12/08	(H)	NR: KELLY
03/12/08	(H)	FIN AT 8:30 AM HOUSE FINANCE 519
03/12/08	(H)	Scheduled But Not Heard
03/12/08	(H)	FIN AT 1:30 PM HOUSE FINANCE 519
03/12/08	(H)	Moved Out of Committee
03/12/08	(H)	MINUTE(FIN)
03/27/08	(H)	TRANSMITTED TO (S)
03/27/08	(H)	VERSION: HB 414
03/28/08	(S)	READ THE FIRST TIME - REFERRALS
03/28/08	(S)	STA
04/08/08	(S)	STA AT 9:00 AM BELTZ 211

BILL: HB 368

SHORT TITLE: ETHICS: LEGISLATIVE & GOV/LT GOV

SPONSOR(S): STATE AFFAIRS

02/19/08	(H)	READ THE FIRST TIME - REFERRALS
02/19/08	(H)	STA, JUD, FIN
02/26/08	(H)	STA AT 8:00 AM CAPITOL 106
02/26/08	(H)	Moved CSHB 368(STA) Out of Committee
02/26/08	(H)	MINUTE(STA)
02/27/08	(H)	STA RPT CS(STA) NT 3DP 4NR

02/27/08 (H) DP: ROSES, GRUENBERG, LYNN
 02/27/08 (H) NR: JOHNSON, JOHANSEN, COGHILL, DOLL
 03/19/08 (H) JUD AT 1:00 PM CAPITOL 120
 03/19/08 (H) Heard & Held
 03/19/08 (H) MINUTE(JUD)
 03/26/08 (H) JUD AT 1:00 PM CAPITOL 120
 03/26/08 (H) Moved CSHB 368(JUD) Out of Committee
 03/26/08 (H) MINUTE(JUD)
 03/27/08 (H) JUD RPT CS(JUD) NT 4DP 3NR
 03/27/08 (H) DP: GRUENBERG, LYNN, HOLMES, RAMRAS
 03/27/08 (H) NR: COGHILL, DAHLSTROM, SAMUELS
 03/31/08 (H) FIN AT 1:30 PM HOUSE FINANCE 519
 03/31/08 (H) Heard & Held
 03/31/08 (H) MINUTE(FIN)
 04/02/08 (H) FIN AT 8:30 AM HOUSE FINANCE 519
 04/02/08 (H) Moved CSHB 368(FIN) Out of Committee
 04/02/08 (H) MINUTE(FIN)
 04/03/08 (H) FIN RPT CS(FIN) NT 7DP 2NR 1AM
 04/03/08 (H) DP: HAWKER, CRAWFORD, JOULE, KELLY,
 NELSON, GARA, MEYER
 04/03/08 (H) NR: STOLTZE, CHENAULT
 04/03/08 (H) AM: THOMAS
 04/05/08 (H) TRANSMITTED TO (S)
 04/05/08 (H) VERSION: CSHB 368(FIN) AM
 04/06/08 (S) READ THE FIRST TIME - REFERRALS
 04/06/08 (S) STA
 04/08/08 (S) STA AT 9:00 AM BELTZ 211

BILL: HJR 40

SHORT TITLE: ELECTROMAGNETIC PULSE ATTACK DEFENSE
 SPONSOR(S): RULES BY REQUEST OF JOINT ARMED SERVICES COMMITTEE

03/27/08 (H) READ THE FIRST TIME - REFERRALS
 03/27/08 (H) RLS
 03/31/08 (H) RLS AT 5:00 PM CAPITOL 120
 03/31/08 (H) Moved Out of Committee
 03/31/08 (H) MINUTE(RLS)
 04/01/08 (H) RLS RPT 5DP 2NR
 04/01/08 (H) DP: FAIRCLOUGH, SAMUELS, GUTTENBERG,
 HARRIS, COGHILL
 04/01/08 (H) NR: KERTTULA, JOHNSON
 04/01/08 (H) TRANSMITTED TO (S)
 04/01/08 (H) VERSION: HJR 40 AM
 04/02/08 (S) READ THE FIRST TIME - REFERRALS
 04/02/08 (S) STA
 04/08/08 (S) STA AT 9:00 AM BELTZ 211

BILL: HB 305

SHORT TITLE: CAMPAIGN FUND RAISING DURING SESSIONS

SPONSOR(S): REPRESENTATIVE(S) MEYER

01/11/08 (H) PREFILE RELEASED 1/11/08
01/15/08 (H) READ THE FIRST TIME - REFERRALS
01/15/08 (H) STA
01/22/08 (H) STA AT 8:00 AM CAPITOL 106
01/22/08 (H) Moved CSHB 305(STA) Out of Committee
01/22/08 (H) MINUTE(STA)
01/23/08 (H) STA RPT CS(STA) NT 4DP 2NR
01/23/08 (H) DP: JOHNSON, JOHANSEN, ROSES, LYNN
01/23/08 (H) NR: COGHILL, DOLL
02/04/08 (H) RLS AT 4:30 PM CAPITOL 106
02/04/08 (H) Moved CSHB 305(RLS) Out of Committee
02/04/08 (H) MINUTE(RLS)
02/06/08 (H) RLS RPT CS(RLS) NT 5DP 2AM
02/06/08 (H) DP: FAIRCLOUGH, HARRIS, KERTTULA,
SAMUELS, COGHILL
02/06/08 (H) AM: GUTTENBERG, JOHNSON
02/06/08 (H) RETURNED TO RLS COMMITTEE
02/19/08 (H) MOVED TO RETURN TO SECOND TO RESCIND
ACTION
02/19/08 (H) LEDOUX ABSTAIN VOTING FLD Y18 N17 E5
PER UR 34(B)
02/20/08 (H) TRANSMITTED TO (S)
02/20/08 (H) VERSION: CSHB 305(RLS) AM
02/21/08 (S) READ THE FIRST TIME - REFERRALS
02/21/08 (S) STA
02/21/08 (S) JUD REFERRAL ADDED BEFORE STA
04/05/08 (S) JUD AT 9:00 AM BUTROVICH 205
04/05/08 (S) Heard & Held
04/05/08 (S) MINUTE(JUD)
04/07/08 (S) JUD AT 2:15 PM BELTZ 211
04/07/08 (S) Moved SCS CSHB 305(JUD) Out of
Committee
04/07/08 (S) MINUTE(JUD)
04/08/08 (S) STA AT 9:00 AM BELTZ 211

WITNESS REGISTER

GRACE MERKES, Confirnee candidate
State Commission for Human Rights
POSITION STATEMENT: Spoke to her confirmation.

ROBERT SAWYER, Confirnee candidate
State Commission for Human Rights

POSITION STATEMENT: Spoke to his confirmation.

MARK S. FISH, Confirnee candidate
State Commission for Human Rights

POSITION STATEMENT: Spoke to his confirmation.

REPRESENTATIVE JAY RAMRAS
Alaska State Legislature
Juneau AK

POSITION STATEMENT: Presented HB 414.

GERAD GODFREY, Chair
Violent Crime Compensation Board
Juneau AK

POSITION STATEMENT: Spoke in favor of HB 414.

SUSAN BROWNE, Member
Violent Crime Compensation Board
Juneau AK

POSITION STATEMENT: Spoke in favor of HB 414.

REPRESENTATIVE BOB LYNN
Alaska State Legislature
Juneau AK

POSITION STATEMENT: Presented HB 386.

MIKE SICA, Staff
to Representative Lynn
Alaska State Legislature

POSITION STATEMENT: Presented HB 386.

JOYCE ANDERSON, Administer
Select Committee on Legislative Ethics
Anchorage AK

POSITION STATEMENT: Answered questions regarding HB 386.

JENNIFER BAXTER, Staff
to Representative Nancy Dahlstrom
Alaska State Legislature

POSITION STATEMENT: Presented HJR 40.

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

POSITION STATEMENT: Presented HJR 40.

MEAD TREADWELL, Chairman and CEO

Venture Ad Astra
Anchorage AK

POSITION STATEMENT: Spoke in support of HJR 40.

JUDY KOMOROWSKI
Tok AK

POSITION STATEMENT: Expressed concern over HJR 40.

ACTION NARRATIVE

CHAIR LESIL MCGUIRE called the Senate State Affairs Standing Committee meeting to order at [9:09:18 AM](#). Senators French, Stevens, and McGuire were present at the call to order. Senator Green arrived shortly thereafter.

CONFIRMATION HEARINGS

State Commission for Human Rights

CHAIR MCGUIRE announced that the committee would first consider the appointment of Grace Merkes to the State Commission for Human Rights.

[9:10:00 AM](#)

GRACE MERKES, Appointee to the State Commission for Human Rights, said she has served on the commission for five years. It is a very important group, which serves the public in discrimination cases, especially for those who can't afford to go to court. It helps prevent rampant discrimination.

SENATOR FRENCH asked where the commission meets.

MS. MERKES said it usually meets three times per year. The upcoming meetings will be in Ketchikan, Nome, and Anchorage.

[9:12:05 AM](#)

SENATOR FRENCH asked if anyone has trouble getting to the meetings.

MS. MERKES said sometimes that happens, but she is retired and able to make most meetings. Generally at least six out of the seven commissioners show up at each meeting.

SENATOR STEVENS asked if there is an advantage to having someone serve a second term.

MS. MERKES said it takes time to learn how to manage a hearing and to know what is legal and what isn't. It is pretty much a legal procedure, and most commissioners are not attorneys. They do get legal advice. With three meetings a year, it takes time to learn. About 13 to 15 of the cases go to hearings, which the administrative law judge oversees. Then the commissioners review the case to decide whether to agree with the judge. A little bit of history helps the other commissioners.

[9:15:27 AM](#)

CHAIR MCGUIRE moved to forward the name of Grace Merkes to a joint session for consideration for the position on the State Commission for Human Rights. Hearing no objection, it was so ordered.

CHAIR MCGUIRE announced the committee would next consider the appointment of Grace Merkes to the State Commission for Human Rights.

[9:17:23 AM](#)

ROBERT SAWYER, Appointee to State Commission for Human Rights, said he wants to continue serving on the commission because it's a tool that gives quality of life to all Alaskans. Many complaints are filed. Last year there were a total of 703 basic complaints and 836 complaints on issues. The commission is needed to assure fairness and quality of life for everyone.

CHAIR MCGUIRE asked for an example of one of the cases and how the commission approached it.

MR. SAWYER said one involved five females who worked for a man who they accused of sexual harassment and racial discrimination. That was a clear-cut case because everything was pretty much laid out. One complainant didn't file so she didn't get anything once the case was solved. The respondent was definitely wrong.

[9:19:47 AM](#)

SENATOR STEVENS asked how many years he was a sergeant major.

MR. SAWYER said he has served 30 years in the army and 10 years as the command sergeant major.

SENATOR STEVENS said that is a heroic accomplishment.

SENATOR FRENCH said he was impressed that he supervised 5,000 soldiers and ran the crisis clinic alone for a year.

MR. SAWYER said that was a challenge. When he retired from the Army he wanted to get involved in the community. Money was not an issue for him. He wants to improve people's lives.

CHAIR MCGUIRE said he has a very impressive resume. She moved to forward the name of Robert B. Sawyer to a joint session for consideration for the position on the State Commission for Human Rights. Hearing no objection, it was so ordered.

CHAIR MCGUIRE announced the committee would next consider the appointment of Mark S. Fish to the State Commission for Human Rights.

[9:21:58 AM](#)

MARK S. FISH, Appointee State Commission for Human Rights, said he spent 20 in the Alaska Army National Guard and he took an oath to the constitutions. He has discovered more about the constitution, and it is interesting that the state founders felt so strongly about people's rights. "They put it right up front in the state constitution." All people are equal and entitled to equal rights. The commission has a vital role, which is a basic part of the state. He's happy to be part of it.

[9:23:21 AM](#)

SENATOR FRENCH asked how he sees his role on the commission.

MR. FISH said the commission is to ensure the rights of people who feel that they may have been denied those rights. It gives them a place to go. He brings state-wide experience from being in National Guard aviation. He has traveled the state and has seen all of Alaska's cultures. He has had constant education and training in human rights laws. He spent a lot of time in Nome, Kotzebue, Saint Lawrence Island, Savoonga, and Gambell.

CHAIR MCGUIRE moved to forward the name of Mark Fish to a joint session for consideration for the position on the State Commission for Human Rights. Hearing no objection, it was so ordered.

The committee took an at-ease at [9:26:47 AM](#).

HB 414-CRIME VICTIM COMPENSATION FUND

[9:27:08 AM](#)

CHAIR MCGUIRE announced consideration of HB 414.

[9:27:44 AM](#)

REPRESENTATIVE JAY RAMRAS, Alaska State Legislature, said HB 414 has a companion bill, SB 296. He noted that it is the small things that validate why the legislature meets. Many people have been victims of crime, whether property or violent crime. There has been a Violent Crime Compensation Board (VCCB) since 1972, but it is difficult to ever make someone whole after being victimized. But the state can compensate people for medical, counseling, funeral, lost income and other expenses. He has misgivings about the state creating a lot of cookie jars of money, but this will be worthwhile because the state is now foregoing the opportunity to receive a 60 percent reimbursement from the federal government. Increasing the pot of money that is available to victims with a 60 percent reimbursement that will grow the pot is an opportunity to make folks more whole - and that is the heart and soul of this bill.

[9:30:10 AM](#)

CHAIR MCGUIRE said the committee has heard the companion bill. She noted the work of three people that led to this.

GERAD GODFREY, Violent Crime Compensation Board, Anchorage, said Representative Ramras did a good job and the committee is familiar with the VCCB.

CHAIR MCGUIRE said there is an omnibus crime package, and last night language was added so that the permanent fund dividends collected from sex offenders will go into this fund.

MR. GODFREY said that is encouraging.

[9:32:14 AM](#)

SUSAN BROWNE, Violent Crime Compensation Board, said next week is Alaska's crime victim's rights week with the theme: without justice for victims there can be no justice for all. The bill affirms decades of efforts in Alaska to ensure the rights and services for crime victims. It is a small step, but it is in the right direction. Having worked with thousands of crime victims, she believes they thank would the committee for their work.

SENATOR STEVENS moved to report HB 414 from committee with individual recommendations and attached fiscal note(s). There being no objection, the bill moved out of committee.

HB 368-ETHICS: LEGISLATIVE & GOV/LT GOV

CHAIR MCGUIRE announced consideration of HB 368. [Before the committee was CSHB 368(FIN)am.]

[9:33:53 AM](#)

REPRESENTATIVE BOB LYNN, Alaska State Legislature, said HB 386 makes it legal for a lobbyist to give a gift to a legislator or legislative employee as long as the recipient is an immediate family member and the gift has no connection with the recipient's legislative status. It is common sense and matches ethics codes around the country, and it is based on recommendations from the legislative ethics committee. The bill also includes an exemption for compassionate gifts, and it has some cleanup language. It also establishes a maximum fine of \$2,500 for willful late disclosure. That is in line with other states. A case in Alaska illustrates that the existing fine is too low to have any affect whatsoever on the most egregious late filing. It is not practical for the Attorney General to pursue a few hundred dollars. The bill also expands the sections on campaign fundraising during sessions. The prohibition expands to any place where the session is convened.

[9:36:11 AM](#)

SENATOR FRENCH asked about raising money 90 days before an election.

MIKE SICA, Staff to Representative Lynn, said there is a prohibition currently about raising money in the capital when a special session occurs 90 days preceding an election. That has not changed. The bill simply extends that to any municipality where a special session is held.

SENATOR FRENCH said that was done in a bill yesterday.

[9:37:48 AM](#)

CHAIR MCGUIRE said that bill is also before the committee today, and she asked the difference between the two.

MR. SICA said he hasn't seen the final version, but he believes the fundraising prohibition extends to local and federal offices, unlike HB 386.

CHAIR MCGUIRE said the core parts of the bills are similar, and HB 386 goes beyond, addressing gifts that are given under the legislative ethics act. "It now says that you are allowed to buy your spouse a gift if the gift is unconnected with the recipient's legislative status and is from a member of the legislative or legislative's employee's immediate family and they happen to be a lobbyist."

MR. SICA said that is correct.

9:39:06 AM

CHAIR MCGUIRE said the old language used to have a blanket caveat regarding gifts unconnected to legislative status, like from a longtime friend. Did you look at that?

MR. SICA said he didn't.

CHAIR MCGUIRE said this is a big family and people go in and out of lobbying jobs and legislative jobs. There was a recent wedding of two legislative staffers and no gifts were allowed from many of their friends who were lobbyists, yet they had been lifelong friends.

JOYCE ANDERSON, Administer, Select Committee on Legislative Ethics, said the ethics committee did not look at that issue and felt it was up to the legislature to decide the extent of allowable gifts from lobbyists. There are two definitions of the immediate family in the ethics statute. One includes the spouse, domestic partner, parents, children and siblings who are financially dependent. The other definition extends it to aunts, uncles, and grandparents. No definition has included lifelong friends. The ethics committee wants to let the legislature make that decision.

CHAIR MCGUIRE said when she arrived at the legislature it was about giving a gift to influence a legislator. The test was the nature of the gift, a baby shower or birthday, and if it was given in order to influence the legislator or out of friendship.

9:42:19 AM

MS. ANDERSON said previous statute limited gifts from lobbyists during the session. During the interim the advisory opinion was about whether a gift was from a lifelong friend or someone known outside of the legislative arena. So there have been advisory opinions based on previous statutes on that issue.

CHAIR MCGUIRE said she wants to hold the bill to address concerns and to avoid absurd results.

SENATOR STEVENS asked if HB 386 will allow fundraising during a special session within 90 days of an election in a city where the session occurs. What is theory or principle behind not allowing money to be raised or spent during a special session?

MS. ANDERSON clarified that in the 90 days before an election there is an exemption that campaigning can occur, but the three legislators in Juneau are not allowed to do any fundraising during a special session. This bill is extending it to wherever the special session is held. Last year there was a special session for one day in Anchorage, and if it had been an election year, under HB 386, those legislators in Anchorage would not have been able to campaign on that one day.

[9:45:48 AM](#)

SENATOR FRENCH said Section 2 seems to be contrary to what Ms. Anderson is saying.

MS. ANDERSON said she forgot. "That is not a recommendation by the ethics committee, but it was added in -- in another committee." She continued. "Section 2 does not prohibit the legislator from soliciting or accepting a campaign contribution during a special session in the 90 days immediately preceding an election. So it would allow those Juneau legislators and those Anchorage legislators, if it was held there, to campaign, but not during the session, but, in the building that the session is being held, but outside of that building."

SENATOR FRENCH said, "We can't have fundraisers here in the capital."

MS. ANDERSON said, "Right."

SENATOR FRENCH said that is good - "but you can go across the street and have a fundraiser." How did this come about? There are funny lines being drawn.

[9:47:16 AM](#)

MS. ANDERSON said the prohibition against campaigning where a session is held started in the 1980s. There was an exemption for Juneau members, but that was changed and she doesn't know why. Now Juneau legislators can't campaign even in the 90 days before an election when everyone else is exempt. It was to prevent an appearance of impropriety. "You are making decisions in your legislative body, and then you're walking across the street and technically you could have a sign saying I'm soliciting contributions for my office." There was the chance for violations. The ethics committee has not looked at this issue, and the others sections in HB 386 are recommendations by the committee. She has been the administrator since 2001 and knows that the ethics committee doesn't like exceptions to the rules.

[9:49:31 AM](#)

SENATOR FRENCH asked if constant electronic disclosures might be the solution. The old rules allow a person to have a big fundraiser one night and hop on a plane to a special session the very next morning. Many would not do that because of the appearance of impropriety, but the law allows it. There will be more special sessions because of the 90-day session. Why not require a legislator to disclose every campaign contribution within 24 hours in a searchable database? Bloggers, reporters, and the opposite party will know, within 24 hours, what the candidate got right before voting. It would collapse these weird lines about where a person can raise money. "It is as if we want to put a little buffer around the capitol and say no money changing hands around the capitol because that's bad." It looks bad to walk across the street and have a fundraiser. But it is legal. Constant electronic disclosure will let the public know what a legislator is doing.

[9:51:42 AM](#)

MS. ANDERSON said a disclosure allows the public to know what is going on, and it may be a very good alternative. She doesn't know what kind of burden it would be on a campaign treasurer. "But I think disclosure is what the public is interested in." Individuals call and check the website all the time. She explained that this section will allow the Anchorage legislators to campaign if a special session were held there, and it would not allow any other legislators to campaign in that area. A legislator from the Kenai couldn't hold a fundraiser, but Senator French and Representative Lynn could. That is important, and she doesn't think people realize that.

[9:53:12 AM](#)

CHAIR MCGUIRE said everyone understands the principle of removing the appearance of impropriety. She is sponsoring the Clean Elections bill because there is a perception, real or not, that if a person gives money to an election, there will be a trade off. The current system allows contributions to help get a candidate's message out. So the idea is to remove it far away from the deliberations so it doesn't feel like a vote was influenced by money. Kevin Meyer's bill goes one step further by not allowing fundraising for a friend. The absurdity is a speaker, president, or governor thinking about where to hold a special session to influence where some members can't raise money and others can. She reflects on the loopholes and absurdities. Political speech is the heart of the first amendment and maybe disclosure is a way to balance it. She wants to spend time discussing the gift language on page 3.

9:56:02 AM

SENATOR FRENCH noted contributions to charities on page 3 and whether someone strongholds a person into giving to a favorite charity. Subsection (d) is intriguing and he wants a list of the recognized non-political organizations. He asked about the American Civil Liberties Union, Defenders of Wildlife, Planned Parenthood, Big Brothers Big Sisters, and the Outdoor Council.

CHAIR MCGUIRE asked Representative Lynn to explain that [Page 3, Line 5].

SENATOR STEVENS said these things are important because they can make a violator "out of all of us so easily." He is his own campaign treasurer and wouldn't like to immediately report every check he gets. There is a difference between campaigning in rural Alaska and Anchorage. He doesn't like anyone fundraising or spending funds during a special session. "I would be more likely to say no one, either the incumbent or the opponent, can do anything if there's a special session going on in the community." The repercussions can be enormous. He urged caution.

9:58:25 AM

MS. ANDERSON said the sections added into the bill are already in statute. It would be nice if all of the exemptions dealing with lobbyists were listed under this section instead of other parts of the statute. Line 5 refers to language that is in AS24.60.030 and 080. The language was put in for the Fahrenkamp classic. A gift that is unconnected with the recipient's legislative status is being added. Allowing legislators to be a go-between for a charitable donation has also been in statute for some time. Those have been in statute and she just wanted to put them together. The compassionate gift language references the statute. The drafter didn't reference the others.

10:01:00 AM

CHAIR MCGUIRE said Line 5 is the procedure and there is no big problem with it. But "the things that come up on the fly, and I wonder why we say you have to go through leg council; I wonder why we don't just say you can receive these tickets to a charity event from any person at any time, and then we go through and describe" what a charity is. She noted that a Red Cross dinner that comes up the last minute, for example, may not get approved and officially sanctioned, but things like the skits are. The public would find that absurd that a legislator couldn't go to a Red Cross dinner for people in need.

MS. ANDERSON said a legislator can receive a ticket from anyone to go to a Red Cross dinner, except a lobbyist. There are a lot of events that aren't 501(c)(3), and it would go through legislative counsel to be approved. The chair can approve it as long as there is 501(c)(3) status.

10:03:04 AM

CHAIR MCGUIRE asked if a lobbyist gave her a ticket to a charitable event, could she walk down the hall to the Chair and say "501(c)(3)" and go.

MS. ANDERSON said yes.

SENATOR STEVENS said there will be a special session in June and July in Juneau. If this were to pass, will Juneau legislators be able to have fundraisers?

MS. ANDERSON said yes.

SENATOR STEVENS said Senator French will be in Juneau and can't raise funds. Can he expend funds in Anchorage during a special session in Juneau?

MS. ANDERSON said yes, but he can't hold a fundraiser in Juneau.

10:04:45 AM

CHAIR MCGUIRE gave a hypothetical situation: Senator French has raised money in Anchorage, and in Juneau he works on a placard to be mailed in his district; he works on a campaign computer in a campaign office in downtown Juneau; he mails the check from Juneau to pay for it.

MS. ANDERSON said, "Senator French would be allowed to go out of the state building and work on a campaign flier, contact your treasurer ... and email back and forth, and so forth. And then have the flyer mailed from the Anchorage area because you can't solicit here, so technically what we've said in the past is you really shouldn't be sending anything out from here."

SENATOR FRENCH said the solicitation rule is clear, but what about the expenditures? If a check is mailed from Juneau and sent to a delivery service in Anchorage to stamp a flyer and mail it out, where is the expenditure being made?

MS. ANDERSON suggested it would be Anchorage.

SENATOR FRENCH asked if he could use an Anchorage mail house but not one in Juneau.

MS. ANDERSON said yes. "You are not allowed to solicit funds. You're not allowed to expend funds during a special session here in the capital." Senator French could send out his flyer from Anchorage soliciting funds from his constituents. "I don't see a problem with you writing a check, sending it to the individual in Anchorage who's going to be printing the flyer to pay for that. Because you're not having somebody here do that. You're sending it to Anchorage to have somebody to do that."

[10:07:29 AM](#)

SENATOR STEVENS surmised that he would be precluded from using a Juneau printing company.

MS. ANDERSON said, "Exactly, because you're not allowed to do anything here."

SENATOR FRENCH asked about using his cell phone to communicate with a campaign worker. Where are the long distance charges on his phone? That is why he wants the disclosure rule. These questions will come up sooner or later.

CHAIR MCGUIRE asked about Senator French asking for a donation in that same phone conversation.

[10:08:53 AM](#)

MS. ANDERSON said she would do some research, but the way the statute reads: you shall not solicit in the capital city during a special session. So you should not be soliciting. She doesn't see a problem with sending a check, having something printed in Anchorage, or calling a treasurer and working on a flyer. That is different from making a phone call to ask for a contribution.

CHAIR MCGUIRE said the nuances can trip people up. During these sessions everyone is hard at work, and there is pressure on a member to make those decisions. It creates some challenges.

MS. ANDERSON said the distinction is if someone is setting up a fundraiser or designing a flyer versus calling a person and asking for money.

[10:10:45 AM](#)

SENATOR STEVENS said it is anti incumbency because challengers don't need to go through this. What's the principle I'm missing?

MS. ANDERSON said a legislator is under a different microscope. Legislators have certain restrictions based on their position and the work they do on bills and issues. The restrictions are the nature of the job. The Alaska vs. ACLU case stated a compelling state interest to restrict legislators.

CHAIR MCGUIRE said there is a similar bill and both don't need to go forward. HB 386 gets into the gift act, but it takes out other provisions that are important to the other bill's sponsor.

MR. SICA said the law used to prohibit all candidates from fundraising during special sessions. It was challenged and the court determined that there was not a compelling state interest to restrict a non-incumbent. But for legislators and staff, who are acting on legislation, there is concern for improper influence.

[10:14:10 AM](#)

SENATOR FRENCH recalled that it also includes regular sessions.

MR. SICA said there are disadvantages and advantages to incumbency.

CHAIR MCGUIRE held CSHB 368(FIN) am in committee.

HJR 40-ELECTROMAGNETIC PULSE ATTACK DEFENSE

[10:15:09 AM](#)

CHAIR MCGUIRE announced consideration of HJR 40. [Before the committee was HJR 40 am.]

JENNIFER BAXTER, Staff to Representative Nancy Dahlstrom, said in 1997 the Alaska legislature petitioned the government to take action to develop and deploy a missile defense system. Alaska's Joint Arm Services Committee was briefed by a commission to assess the threat to the country from electromagnetic pulse (EMP) attacks. Alaska's Division of Homeland Security and Emergency Management will include EMP in its preparedness planning "as this threat intersects with the full range of risks and hazards confronting the state." HJR 40 makes it a policy of the state to follow the recommendations of the EMP commission and urges the Department of Homeland Security (DHS) to support states in doing this work.

MCHUGH PIERRE, Legislative Liaison, Department of Military and Veterans Affairs (DMVA), said his department supports HJR 40. Alaska's homeland security division has already started

understanding this kind of attack and how the state will respond, including how to re-create computer networks. It has not been addressed with a single-source funding, but it is part of the big plan.

10:17:35 AM

SENATOR FRENCH asked which nations have ballistic missiles that can reach our shores.

MEAD TREADWELL, Chairman and CEO of Venture Ad Astra, Anchorage, said Russia, China, France, Britain, India, North Korea, and perhaps Iran. Many other nations could load scud missiles on a ship and reach our country.

10:19:41 AM

MR. TREADWELL thanked legislators for hosting a commission last fall. "There is a new volume coming out that will be underscoring the vulnerability of the United States, especially our power grids for this." It could be difficult for someone to use a cell phone to find their children "if this were to happen." He said, "It is seen by some people as the kind of disabling nonlethal weapon, I suppose, that we need to be concerned about and prepared for." He met with people in Maryland who are working on similar legislation. HJR 40 will underscore what DMVA is doing as part its all-hazards approach. An earthquake can shut down power systems on a piece-meal basis, but very few things can shut it down on a large-scale basis and it's important to prepare for that. The resolution will join others in asking for support from the DHS to address the issue on a national basis. Bill Graham has been to Alaska for a missile defense conference and he is head of the commission. He was the acting head of NASA during the Reagan Administration. Congress has continued the work of the commission to build an understanding of this issue.

10:22:18 AM

SENATOR STEVENS asked if there other nonlethal risks. This is very specific.

MR. TREADWELL said he is not aware of any. Cyber threats are a major threat to the United States, and entire countries have been attacked to shut down government computer systems. There is work going on to make sure utilities can't be hacked into. There is a rumor that we were able to turn out the lights in Bagdad before we dropped bombs on it. He is not an authority, but when "I have spoken to authorities who can speak on that issue they haven't denied what I've said." This kind of threat will be

vastly debilitating. He had dinner with utility leaders, and if a new transformer is needed after an attack, most of them are made offshore and the waiting list is long. The country hasn't thought about it.

[10:24:28 AM](#)

CHAIR MCGUIRE asked how it will interfere with RFD technology.

MR. TREADWELL said he was told that the most vulnerable systems are the ones that are part of a larger grid. A cell phone might work after an attack, but the tower may not, so it becomes useless. A chip may work, but the reader may not.

JUDY KOMOROWSKI, Tok, said she loves her country and loves living in Alaska. She moved to Alaska in 1996, one year before the legislature decided to play a major role in the defense of the country. Alaskans didn't vote for this role. There was only supposed to be 10 missile silos installed in Delta Junction and now there will be over 100. It makes it a major target. A fact sheet from the Institute of the North states that this is why Alaska now needs to be set up for the EMP attack. "But what about the HAARP [High Frequency Active Auroral Research Program] station in Gakona, Alaska, and the EMP that it emits? Should Alaska not protect itself from those pulse emissions?" There needs to be healthy public debate on these issues that are so pertinent to all Alaskans and Americans. This issue shouldn't be shuffled through the legislature so quickly without a vote of Alaskans since they seem to be on the front lines.

[10:27:07 AM](#)

SENATOR FRENCH said he went to Fort Greely and got a fascinating tour, and it is an amazing place. Its defense system is not for big ICBMs launched from the Soviet Union. It is made to pick up smaller, slower flying missiles from rogue nations. "No one should think of it as a general shield from all missile attacks, but they do seem to be developing the capability to know just the kinds of small missiles that can be launched against us, or the United States in general, across our airspace."

SENATOR STEVENS asked about other risks besides EMP.

MR. PIERRE said HJR 40 is focused on EMP because Alaska has the capability to intercept a missile and destroy it should it have a small-yield nuclear head on board. The question is about the state infrastructure and response, and that is why HJR 40 is directed at EMP. "We need to raise awareness and the possibility of this type of attack occurring and be able to continue to

function." That includes state and local government, power grids, and communications. He said Alaska should be considering other types of attacks, but HJR 40 is not the vehicle. "In our all-hazards plan, we do consider cyber attacks; we do have an energy contingency plan, essentially a reverse two-minute drill, so when we are attacked, what type of measures do we enact right away to make sure that we have that stability in our society to continue to function." The resolution needs to stay focused.

[10:30:05 AM](#)

SENATOR FRENCH moved to report HJR 40 from committee with individual recommendations and attached fiscal note(s). There being no objection, HJR 40 am moved from committee.

CHAIR MCGUIRE recessed the meeting to the call of the chair at [10:30:42 AM](#).