

ALASKA STATE LEGISLATURE
HOUSE STATE AFFAIRS STANDING COMMITTEE

February 25, 2010

8:10 a.m.

MEMBERS PRESENT

Representative Bob Lynn, Chair
Representative Paul Seaton, Vice Chair
Representative Craig Johnson
Representative Peggy Wilson
Representative Max Gruenberg
Representative Pete Petersen

MEMBERS ABSENT

Representative Carl Gatto

COMMITTEE CALENDAR

CONFIRMATION HEARING(S)

State Commission for Human Rights

Lester C. Lunceford - Whittier

- CONFIRMATION(S) ADVANCED

Board of Parole

Richard O. Larson - Palmer

- CONFIRMATION(S) ADVANCED

Alaska Public Offices Commission

Elizabeth Johnston Hickerson - Anchorage

Kathleen J. King - Anchorage

- CONFIRMATION(S) ADVANCED

HOUSE BILL NO. 289

"An Act authorizing state agencies to pay private legal fees and costs incurred by persons exonerated of alleged Alaska Executive Branch Ethics Act violations; allowing certain public officers and former public officers to accept state payments to offset

private legal fees and costs related to defending against an Alaska Executive Branch Ethics Act complaint; and creating certain exceptions to Alaska Executive Branch Ethics Act limitations on the use of state resources to provide or pay for transportation of spouses and children of the governor and the lieutenant governor."

- MOVED CSHB 289(STA) OUT OF COMMITTEE

CONFIRMATION HEARING(S)

Personnel Board

Dr. Keith J. Hamilton - Soldotna

- SCHEDULED BUT NOT HEARD

Commissioner, Department of Military & Veterans' Affairs

Adjutant General Thomas Katkus,

- REMOVED FROM AGENDA

PREVIOUS COMMITTEE ACTION

BILL: HB 289

SHORT TITLE: EXEC ETHICS: LEGAL FEES/FAMILY TRAVEL

SPONSOR(S): REPRESENTATIVE(S) GRUENBERG

01/15/10	(H)	PREFILE RELEASED 1/15/10
01/19/10	(H)	READ THE FIRST TIME - REFERRALS
01/19/10	(H)	STA, JUD, FIN
02/23/10	(H)	STA AT 8:00 AM CAPITOL 106
02/23/10	(H)	Heard & Held
02/23/10	(H)	MINUTE(STA)
02/25/10	(H)	STA AT 8:00 AM CAPITOL 106

WITNESS REGISTER

LESTER C. LUNCEFORD, Appointee
State Commission for Human Rights
Whittier, Alaska

POSITION STATEMENT: Testified as appointee to the State Commission for Human Rights.

R. OLE LARSON, Appointee
Board of Parole

Palmer, Alaska

POSITION STATEMENT: Testified as appointee to the Board of Parole.

ELIZABETH JOHNSTON HICKERSON, Appointee
Alaska Public Offices Commission
Anchorage, Alaska

POSITION STATEMENT: Testified as appointee to the Alaska Public Offices Commission.

KATHLEEN KING, Appointee
Alaska Public Offices Commission
Anchorage, Alaska

POSITION STATEMENT: Testified as appointee to the Alaska Public Offices Commission (APOC).

JUDY BOCKMON, Assistant Attorney General/State Ethics Attorney
Opinions, Appeals, & Ethics
Civil Division (Anchorage)
Department of Law
Anchorage, Alaska

POSITION STATEMENT: Explained the need for a proposed amendment to Amendment 1 to HB 289.

ACTION NARRATIVE

[8:10:12 AM](#)

CHAIR BOB LYNN called the House State Affairs Standing Committee meeting to order at 8:10 a.m. Representatives Seaton, Johnson, Wilson, Gruenberg, Petersen, and Lynn were present at the call to order.

CONFIRMATION HEARING(S)
STATE COMMISSION FOR HUMAN RIGHTS
BOARD OF PAROLE
ALASKA PUBLIC OFFICES COMMISSION (APOC)

[8:10:52 AM](#)

CHAIR LYNN brought before the committee the appointments of Lester C. Lunceford to the State Commission For Human Rights, Richard O. Larson to the Board of Parole, and Elizabeth Johnston Hickerson and Kathleen J. King to the Alaska Public Offices Commission. [The committee packet contains biographical information on all four appointees.]

[8:11:44 AM](#)

LESTER C. LUNCEFORD, Appointee, State Commission for Human Rights, said he has served as commissioner for seven years, and during that time has also served as the mayor of the City of Whittier. He relayed that he also works as a real estate manager for the Alaska Railroad Corporation. Commissioner Lunceford expressed pride in the opportunity he has had in sitting on the Human Rights Commission. He stated his firm belief in the fight against discrimination in the work place, and he said he would like to continue that work if the legislature would allow him to do so.

[8:14:14 AM](#)

MR. LUNCEFORD, in response to Chair Lynn, said the most typical complaint addressed by the commission is age and race discrimination in the work place. He outlined the process by which the commission considers cases, and he said the commission serves mostly as a panel of judges that hear appeals. In response to Representative Wilson, he offered his understanding that the newest member of the commission has been serving a little over a year, while most others have served between three to eight years.

[8:17:13 AM](#)

MR. LUNCEFORD, in response to Representative Gruenberg, said he does not know exactly how many cases have been pending for a long time, but he knows they exist. He explained that there are many processes involved in an investigation, which means it is not uncommon for a case to take 5-6 years.

[8:19:40 AM](#)

REPRESENTATIVE GRUENBERG emphasized that this issue is of great concern to many legislators who are trying to find out why the cases are taking so long.

[8:22:22 AM](#)

MR. LUNCEFORD expressed appreciation of the legislators' concerns, and he noted that an ongoing review is in progress to determine how the system can be more efficient and how the Office of the Governor, as well as the legislature, can be of help in reducing the time it takes to complete cases. In

response to Chair Lynn, Commissioner Lunceford said he would welcome a phone call any time to discuss the matter further.

8:24:01 AM

R. OLE LARSON, Appointee, Board of Parole, offered his background. He said he has been a professional in the correctional field for 29 years, having begun work with juvenile delinquents and then working with adults. He said he has been retired for five years and serves on the Matanuska/Susitna School District Board. He said he has continued public serves since retired, and while working, he took as much training as possible to keep up on the latest in correctional theory.

8:26:37 AM

ELIZABETH JOHNSTON HICKERSON, Appointee, Alaska Public Offices Commission, said she is presently the chair of the Alaska Public Offices Commission (APOC). She introduced some people in the room affiliated with APOC. She said APOC has no backlog in its cases. She said the commission is attempting to upgrade its electronic filing system. She opined that APOC serves the public better than ever, has tremendous training for lobbyists and candidates, and has an excellent staff. Ms. Hickerson said she has been an attorney in Alaska since 1981 and has worked in several agencies. In response to Chair Lynn, she expounded upon her experience, stating that as a lawyer she has worked in conjunction with the legislature, the attorney general, utilities, agriculture, airports, and insurance. She said she has done a lot of work on regulations, representing the Regulatory Commission of Alaska (RCA).

8:31:07 AM

MS. HICKERSON, in response to Chair Lynn, listed some of the common complaints that are addressed by APOC, including: violations of statute, failure to report, and inappropriate contributions. She said complaints can be found by individuals or APOC can initiate its own proceeding. She stated that the most serious complaints result from situations in which the public feels it has been misled.

8:32:55 AM

MS. HICKERSON, in response to Representative Petersen, said the [U.S.] Supreme Court made it clear that corporations and labor unions can make independent expenditures on behalf of a

candidate, but Alaska does has no statute or regulation addressing what type of disclosure requirements have to be made. She opined, "The legislature needs to do something this session, otherwise there will be no rules." She explained that APOC does not have the sufficient legal authority to draft regulations, but the legislature has the ability to enact legislation that will clarify for APOC what the rules are.

[8:34:09 AM](#)

CHAIR LYNN said he anticipates legislation addressing this issue will be presented this session, and he said such legislation would be made a priority for the committee.

[8:36:19 AM](#)

MS. HICKERSON said APOC would leave the decision making to the legislature in this regard, but would provide information regarding fiscal impact.

[8:37:15 AM](#)

REPRESENTATIVE SEATON said that a corporation or labor union making independent expenditures on behalf of candidates would indicate coordination, which would be a campaign contribution, and he said he does not think Ms. Hickerson meant to say that.

MS. HICKERSON confirmed that Representative Seaton is correct. She clarified that she was speaking of independent expenditures "addressing a candidate" - not "coordinated."

[8:37:58 AM](#)

REPRESENTATIVE SEATON said he would like APOC to offer input regarding implementation, not regarding policy, because it is important for the legislature to know what the commission's ability is regarding electronic reporting and disclosure.

[Chair Lynn passed the gavel to Vice Chair Seaton.]

[8:40:58 AM](#)

KATHLEEN KING, Appointee, Alaska Public Offices Commission, said she was appointed to the commission one year ago. She said she has spent 19 years as a state employee, working primarily for the Office of the Attorney General and the Alaska Court System. She relayed that she is currently working as a technical writer

for the Arctic Slope Regional Corporation. She proffered that it is her researching and writing abilities that have given her the ability to put on paper what is agreed to orally. Commissioner King said she enjoys the melding of individual ideas and the focus on doing what is best for the public. She stated that her greatest concern - and the reason why she wanted to serve on the commission - is that the public be provided with the ability to decipher what is going on behind the scenes and know information that should be disclosed.

[8:42:51 AM](#)

MS. KING, in response to Vice Chair Seaton, explained that "institutional review board certification" is given when someone has completed training regarding what can be said to people and what kind of disclosures have to be made. It is an ethical review related to how to treat people when trying to extract information from them. In response to another question by Vice Chair Seaton, she said there is still room for improvement for APOC; certain improvements are in process, but take time.

[8:46:05 AM](#)

MS. KING, in response to Representative Johnson, said she thinks APOC would benefit from stronger language in statutes, and regulations need to be overhauled to match existing statutory authority.

REPRESENTATIVE JOHNSON emphasized that he would like input from APOC regarding recent [U.S.] Supreme Court issues.

MS. KING noted that APOC has an appointment to speak with Representative Lynn tonight.

[8:47:57 AM](#)

VICE CHAIR SEATON reiterated his desire to hear suggestions from APOC regarding improvements to the commission that could be made through legislation.

[Vice Chair Seaton passed the gavel back to Chair Lynn.]

[8:51:59 AM](#)

MS. HICKERSON, in response to Representative Gruenberg, clarified that APOC has regulatory authority given to it by the legislature, but cannot make regulations on a statute that does

not exist. The aforementioned [U.S.] Supreme Court decision changed that, but APOC does not have any requirements "to make them file reports [or] to disclose who's making the independent expenditures." She said there are no rules in place, and a municipal election is coming up in April.

[8:54:12 AM](#)

REPRESENTATIVE SEATON moved to advance the confirmations of Lester C. Lunceford, R. Ole Larson, Elizabeth Johnston Hickerson, and Kathleen J. King to the joint session of the House and Senate. There being no objection, the nominations of Lester C. Lunceford to the State Commission for Human Rights, R. Ole Larson to the Board of Parole, Elizabeth Johnston Hickerson to the Alaska Public Offices Commission, and Kathleen J. King to the Alaska Public Offices Commission were advanced.

[8:55:29 AM](#)

REPRESENTATIVE SEATON noted that he left [Dr. Keith J. Hamilton's] name off the list when making the motion, because Dr. Hamilton had not yet been able to appear before the committee.

CHAIR LYNN, in response to Representative Gruenberg, noted that Adjutant General Thomas Katkus was not able to attend this meeting and had been taken off the list to be rescheduled for a later date.

The committee took an at-ease from [8:56:10 AM](#) to [8:57:13 AM](#).

HB 289-EXEC ETHICS: LEGAL FEES/FAMILY TRAVEL

[8:57:15 AM](#)

CHAIR LYNN announced that the final order of business was HOUSE BILL NO. 289, "An Act authorizing state agencies to pay private legal fees and costs incurred by persons exonerated of alleged Alaska Executive Branch Ethics Act violations; allowing certain public officers and former public officers to accept state payments to offset private legal fees and costs related to defending against an Alaska Executive Branch Ethics Act complaint; and creating certain exceptions to Alaska Executive Branch Ethics Act limitations on the use of state resources to provide or pay for transportation of spouses and children of the governor and the lieutenant governor."

[8:57:29 AM](#)

REPRESENTATIVE GRUENBERG, as prime sponsor of HB 289, noted that at the last bill hearing, the committee had discussed three issues. The first issue was whether the proposed legislation should be expanded in Section 3 to allow [the use of state resources to pay for] travel of a non-spouse of an executive. Representative Gruenberg said both the bill drafter and attorney general Judy Bockmon emphasized that it would be difficult to draft such language. He said he would do as the committee wished, but he advised against making that change. He said the idea for the other two amendments came from Representative Seaton.

[8:59:32 AM](#)

REPRESENTATIVE SEATON moved to adopt Amendment 1, labeled 26-LS1304\C.1, Wayne, 2/24/10, which read as follows:

Page 3, line 16:
Delete "official"
Insert "officially designated"

There being no objection, Amendment 1 was adopted.

[9:00:01 AM](#)

REPRESENTATIVE SEATON moved to adopt Amendment 2, labeled 26-LS1304\C.2, Wayne, 2/24/10, which read as follows:

Page 3, line 14:
Delete "is"
Insert "has been"

Page 3, line 15, following "customary":
Insert "at similar events"

Page 3, line 19:
Delete "are customary"
Insert "have been customary at similar events"

[9:00:32 AM](#)

REPRESENTATIVE GRUENBERG objected for discussion purposes.

[9:01:19 AM](#)

REPRESENTATIVE GRUENBERG moved to adopt an amendment to Amendment 2, to change "at" to "for".

[9:01:48 AM](#)

REPRESENTATIVE SEATON objected for discussion purposes.

[9:01:59 AM](#)

JUDY BOCKMON, Assistant Attorney General/State Ethics Attorney, Opinions, Appeals, & Ethics, Civil Division (Anchorage), Department of Law, explained the need for the proposed amendment to Amendment 2. She clarified that the proposed change would take place at page 3, line 19. She said, "It seemed to me that simply for context, use of the word 'for' rather than 'at' was a better choice when the phrase starts with 'the invitation and the person's attendance'."

[9:02:38 AM](#)

REPRESENTATIVE SEATON said that change seems to be stylistic, and he removed his objection. There being no further objection, the amendment to Amendment 2 was adopted.

[9:03:30 AM](#)

REPRESENTATIVE GRUENBERG removed his objection to Amendment 2, as amended. [There being no further objection, Amendment 2, as amended, was adopted.]

[9:03:54 AM](#)

CHAIR LYNN, after ascertaining that there was no one else who wished to testify, closed public testimony.

[9:04:06 AM](#)

REPRESENTATIVE GRUENBERG moved to report the proposed committee substitute (CS) for HB 289, Version 26-LS1304\C, Wayne, 2/22/10, as amended, with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 289(STA) was reported out of the House State Affairs Standing Committee.

[9:09:16 AM](#)

ADJOURNMENT

There being no further business before the committee, the House State Affairs Standing Committee meeting was adjourned at 9:09 a.m.