

**ALASKA STATE LEGISLATURE
HOUSE STATE AFFAIRS STANDING COMMITTEE**

March 30, 2010

8:07 a.m.

MEMBERS PRESENT

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

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

OVERVIEW(S): DIVISION OF ELECTIONS

- HEARD

SENATE BILL NO. 43

"An Act adding a second verse to the official Alaska state song."

- MOVED HCS SB 43(STA) OUT OF COMMITTEE

HOUSE BILL NO. 241

"An Act relating to certain investments of the Alaska permanent fund, the state's retirement systems, the State of Alaska Supplemental Annuity Plan, and the deferred compensation program for state employees in companies that do business in Iran, and restricting those investments; and providing for an effective date."

- RESCINDED ACTION OF 2/16/10; MOVED CSHB 241(STA)
OUT OF COMMITTEE

HOUSE BILL NO. 128

"An Act relating to introduction of measures and to fiscal notes for measures."

- HEARD & HELD

HOUSE CONCURRENT RESOLUTION NO. 8

Proposing amendments to the Uniform Rules of the Alaska State Legislature relating to withdrawing measures, to sponsors of measures, to prefiling measures, and to the three readings of bills.

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: SB 43

SHORT TITLE: SECOND VERSE OF ALASKA'S STATE SONG

SPONSOR(s): SENATOR(s) MENARD

01/21/09	(S)	PREFILE RELEASED 1/9/09
01/21/09	(S)	READ THE FIRST TIME - REFERRALS
01/21/09	(S)	CRA, STA
01/28/10	(S)	CRA AT 3:30 PM BELTZ 105 (TSBldg)
01/28/10	(S)	Moved SB 43 Out of Committee
01/28/10	(S)	MINUTE(CRA)
01/29/10	(S)	CRA RPT 4DP
01/29/10	(S)	DP: OLSON, KOOKESH, MENARD, THOMAS
02/04/10	(S)	CRA AT 3:30 PM BELTZ 105 (TSBldg)
02/04/10	(S)	<Bill Hearing Canceled>
02/09/10	(S)	STA AT 9:00 AM BELTZ 105 (TSBldg)
02/09/10	(S)	Moved SB 43 Out of Committee
02/09/10	(S)	MINUTE(STA)
02/10/10	(S)	STA RPT 5DP
02/10/10	(S)	DP: MENARD, FRENCH, MEYER, PASKVAN, KOOKESH
03/10/10	(S)	TRANSMITTED TO (H)
03/10/10	(S)	VERSION: SB 43
03/11/10	(H)	READ THE FIRST TIME - REFERRALS
03/11/10	(H)	STA, JUD
03/25/10	(H)	STA AT 9:30 AM CAPITOL 106
03/25/10	(H)	Heard & Held
03/25/10	(H)	MINUTE(STA)
03/30/10	(H)	STA AT 8:00 AM CAPITOL 106

BILL: HB 241

SHORT TITLE: DIVEST INVESTMENTS IN IRAN

SPONSOR(s): REPRESENTATIVE(s) GATTO

04/18/09	(H)	READ THE FIRST TIME - REFERRALS
04/18/09	(H)	STA, FIN
02/09/10	(H)	STA AT 8:00 AM CAPITOL 106

02/09/10 (H) Heard & Held
02/09/10 (H) MINUTE(STA)
02/16/10 (H) STA AT 8:00 AM CAPITOL 106
02/16/10 (H) Failed To Move Out Of Committee
02/16/10 (H) MINUTE(STA)
03/30/10 (H) STA AT 8:00 AM CAPITOL 106

BILL: HB 128

SHORT TITLE: INTRODUCTION OF MEASURES/FISCAL NOTES

SPONSOR(S): REPRESENTATIVE(S) GRUENBERG

02/13/09 (H) READ THE FIRST TIME - REFERRALS
02/13/09 (H) STA, FIN
04/07/09 (H) STA AT 8:00 AM CAPITOL 106
04/07/09 (H) Scheduled But Not Heard
03/23/10 (H) STA AT 8:00 AM CAPITOL 106
03/23/10 (H) Heard & Held
03/23/10 (H) MINUTE(STA)
03/30/10 (H) STA AT 8:00 AM CAPITOL 106

BILL: HCR 8

SHORT TITLE: UNIFORM RULES: MEASURE SPONSORS/READINGS

SPONSOR(S): REPRESENTATIVE(S) GRUENBERG

02/13/09 (H) READ THE FIRST TIME - REFERRALS
02/13/09 (H) STA
04/07/09 (H) STA AT 8:00 AM CAPITOL 106
04/07/09 (H) Scheduled But Not Heard
03/23/10 (H) STA AT 8:00 AM CAPITOL 106
03/23/10 (H) Heard & Held
03/23/10 (H) MINUTE(STA)
03/30/10 (H) STA AT 8:00 AM CAPITOL 106

WITNESS REGISTER

GAIL FENUMIAI, Director
Division of Elections
Office of the Governor
Juneau, Alaska

POSITION STATEMENT: Presented an overview of the Division of Elections.

SENATOR LINDA MENARD
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: As sponsor of SB 43, explained the proposed changes in Version 26-LS0259\R, Bullard, 3/29/10.

ALPHEUS BULLARD, Attorney
Legislative Legal Counsel
Legislative Legal and Research Services
Legislative Affairs Agency
Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on SB 43.

MICHAEL ROVITO, Staff
Senator Linda Menard
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Provided information during the hearing on SB 43, on behalf of Senator Menard, sponsor.

PATRICK GALVIN, Commissioner
Department of Revenue
Juneau, Alaska

POSITION STATEMENT: Testified during the hearing on HB 241.

TED MADSEN, Staff
Representative Max Gruenberg
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Explained the changes that would be made to HCR 8, through the proposed CS, Version 26-LS0366\C, Cook, 3/25/10.

ACTION NARRATIVE

[8:07:35 AM](#)

CHAIR BOB LYNN called the House State Affairs Standing Committee meeting to order at 8:07 a.m. Representatives Seaton, Gatto, Johnson, Wilson, Petersen, and Lynn were present at the call to order. Representative Gruenberg arrived as the meeting was in progress.

OVERVIEW(S): DIVISION OF ELECTIONS

[8:08:04 AM](#)

CHAIR LYNN announced that the first order of business was the overview of the Division of Elections.

[8:08:45 AM](#)

GAIL FENUMIAI, Director, Division of Elections, Office of the Governor, presented an overview regarding absentee voting and the Division of Elections' process for counting absentee ballots post election date. She listed the four types of absentee voting: by mail, by facsimile, in person, and by early voting. Under current statute, the division has 15 days following an election to review and count ballots prior to the convening of the state review board. She explained that a board convenes in Juneau, and audits the results from all the precincts in the state, to ensure that everything has been done according to state law.

MS. FENUMIAI relayed that in 2008, the division processed a record number of absentee ballots - over 99,000 of the various forms of absentee voting - and did so before the 15-day deadline. She reported that for the first time since she has been with the division, the division conducted a check for duplicate voting prior to counting any absentee ballots, which she opined was important. She explained that during the primary election, it was brought to the attention of the division that 26 ballots had been counted more than once, because people had voted absentee, in one form or another, and then went to the polling place on election day to vote. She relayed that the division has found that this has happened without malice. In response to Chair Lynn, she explained that many of those who voted twice were elderly people who forgot they had already voted. The by-mail ballot arrives at a person's address about three weeks before the election, she noted. She said she is proud to announce that in the 2008 general election there were no duplicate ballots counted. She talked about the close political races that have occurred in Alaska and emphasized the importance of ensuring "one person/one vote."

MS. FENUMIAI recollected that on election night, the division had waited until the seventh day following the election to do its first count of by-mail and in-person ballots for the purpose of conducting the duplicate voter check. The only way to do that, she explained, was to wait until receipt of the precinct registers from the precincts and to check the precinct voter history, by district. As soon as that is done, the division runs a duplicate voter check for all ballots that have been received and logged as of that date. That process continues until the division finishes receiving absentee ballots in the mail. If a person votes twice, the division pulls the absentee ballot. In response to Chair Lynn, she explained that the vote done at the polling place is the one that counts, because it was

done on election day, and "as soon as the ballot's fed into the optical scan unit it tabulates."

8:13:48 AM

REPRESENTATIVE GATTO asked if there have been instances where a person who voted twice changed his/her vote the second time.

MS. FENUMIAI responded, "The way a person votes, we have no idea."

8:14:23 AM

MS. FENUMIAI continued with her overview. She said the division has absentee voting locations throughout the state. She listed the following locations as having house district ballots for all 40 districts: the division's regional offices, airports on election day, and an absentee voting station on the University of Alaska Anchorage campus. Some areas have specific house district ballots. For example, she said, Wrangell has ballots at its city hall. The voting at absentee voting locations starts 15 days before the election. The ballots are voted before an absentee voting official and are sent in daily to the regional office for processing and "logging," and to be reviewed by a bi-partisan board.

8:16:13 AM

MS. FENUMIAI, in response to Representative Seaton, said the aforementioned 2008 general election brought in over 327,000 ballots; therefore, approximately one-third of those were absentee votes.

REPRESENTATIVE SEATON expressed concern that rural votes will not be known until seven days after election, while urban votes will be known on election day, which would influence the political process. He said the issue is important because "organization takes place right after elections." He asked Ms. Fenumiai if the division has figured out a way to count the ballots "so that there's an equivalency of knowledge on election night between the districts that are in the regional hubs and those that are not"

8:19:47 AM

MS. FENUMIAI said of the 99,500-plus absentee ballots, 24,512 of those were early votes; therefore a large proportion of those

were not counted until after election day. She said the division's plan for the upcoming elections of 2010 is to conduct duplicate voting checks again and to have its first counting of absentee ballots on the tenth day following the election. In response to Representative Seaton, she confirmed that the division's plan would mean that absentee votes submitted in person in various areas would all be counted on the same day.

REPRESENTATIVE SEATON asked what the distinction is between early voting and absentee, in-person voting.

[8:21:22 AM](#)

MS. FENUMIAI answered that early voting takes place at the division's four regional offices: Juneau, Anchorage, Fairbanks, and Nome. She illustrated the difference between early voting and in-person, absentee voting, as follows:

[In early voting], the eligibility of myself to cast a House District 4 ballot is determined right ... then and there ..., by the information. They have access to our statewide voter registration system. The information that is in that system is displayed [and] printed for myself to look at and verify that nothing has changed. I sign that the above information is correct; I'm a qualified voter. It has been witnessed by the absentee voting official. I can vote my ballot and it goes into the ballot box to be counted on election night.

An absentee, in-person ballot is voted by somebody, say they come to the Region I office and they're in House District 35. They have to fill out an oath and affidavit envelope with their voter registration information - where they live, their residence address - sign it, it's witnessed, the ballot is put in a secrecy sleeve, and it's sealed and is then reviewed by that bi-partisan absentee review board that I mentioned earlier to determine the eligibility of that voter to cast that District 35 ballot.

REPRESENTATIVE SEATON said it sounds like all the people who are encouraged to vote early in rural Alaska - about a third of the rural voters - have to do so through absentee, in-person voting, and those ballots will not be counted until 7-10 days after the election, whereas in urban areas, the system is set up such that

votes get counted right away. He asked if his interpretation is correct.

8:24:48 AM

MS. FENUMIAI said that is an accurate description of the process. She said essentially early voting is going to the polling place early. Those aforementioned 24,512 early voters just eliminated the step of having to go to their polling place on election and sign a precinct register.

8:25:25 AM

REPRESENTATIVE SEATON reiterated that there is an issue of inequality, and again asked Ms. Fenumiai if the division has figured a way to correct that.

8:26:39 AM

MS. FENUMIAI answered no. She explained that where the regional offices are allowed to exist is set in statute. She said there were over 73,000 other forms of absentee ballots that were counted post election night. She said that although it appears that some races are determined on election night, there are still 15 days to count the remaining absentee and questioned ballots. She stated that nothing is official until the state review board finishes conducting a review of the election. She said the division is charged with ensuring that every voter who casts a ballot is eligible to do so and only casts one ballot, and she related that the division takes great pride in fulfilling that statutory obligation.

8:28:03 AM

CHAIR LYNN said although political parties do not always do so, they could choose to wait to do their organizing until the final election results are available.

8:29:03 AM

MS. FENUMIAI, in response to Representative Gatto, said she does not know how many ballots sent to voters in the military are returned, but she said she could get that information.

8:30:21 AM

REPRESENTATIVE GATTO said he is interested in learning what that number is both in regard to presidential and non-presidential election years.

[8:30:40 AM](#)

REPRESENTATIVE JOHNSON said he is uncomfortable quizzing the division as to how a party organizes. He said the charge of the division is to ensure that every person who votes is counted, that no one votes twice, and that the people who do vote are eligible. He said he thinks the division carries out its mission fairly well "with the assets that we give them."

CHAIR LYNN said he would not argue with that statement.

[8:32:06 AM](#)

REPRESENTATIVE SEATON said the legislature establishes the voting process. He explained that he is questioning whether the legislature has established a policy that results in differential results or differential reporting of the results, thereby affecting the political process; he is not criticizing the work of the division.

[8:34:12 AM](#)

MS. FENUMIAI, in response to Representative Wilson, said she does not know how many of the 327,000 total votes from the 2008 general election were by-mail ballots versus absentee and in-person ballots, but she offered to get that information.

[8:35:08 AM](#)

REPRESENTATIVE GRUENBERG mentioned a lawsuit brought on behalf of the people in Bethel when the State of Alaska allegedly failed to provide the protections required in the Voting Act of 1965. He expressed concern that the situation went "to that length" before the state acknowledged the rights of the people under that Act, and concern that the state may be facing similar potential lawsuits from others in the state who are covered by the Act. He asked what steps the division is taking in this regard.

[8:36:33 AM](#)

MS. FENUMIAI said she does not believe others will have to sue the state. She said the case mentioned by Representative

Gruenberg provided the division an opportunity to improve that region's language assistance program. She relayed that under federal law, the division is required to provide language assistance to voters. It had done so in the past, but increased its efforts since the case. She said the division has recruited bilingual poll workers in every precinct in which the division is required to provide language assistance. In other areas of the state, the division has on-call interpreters available, she reported. Furthermore, the division has improved its training on language assistance; workers at the division are now aware of the requirements of the federal Act, she said. She said other language will be focused on as well, in terms of assistance to voters. In response to a follow-up question from Representative Gruenberg, she confirmed that she believes the division is currently in compliance with the federal Act.

[8:40:55 AM](#)

REPRESENTATIVE SEATON asked, "What would be the effect on the division [if], instead of having early voting, all of those [ballots] in those regional precincts ... were taken as [in-person, absentee] votes, so that all residents in Alaska were provided the same mechanism to ... voting?"

[8:41:29 AM](#)

MS. FENUMIAI answered that it would mean that the division would need to log and review 24,500-plus additional ballots.

[8:42:38 AM](#)

MS. FENUMIAI, in response to Representative Gatto, said the voting roster shows the names of those who have voted absentee, and she offered her understanding that that roster, which is purchased by numerous groups, also shows whether or not those ballots were "returned and voted." In response to a follow-up question from Representative Gatto, she confirmed that the names of those who vote in any manner are captured in the voter history. Ms. Fenumiai said anyone who buys a voter list would also receive the voter history information, and she offered her understanding that that voter history includes elections from the past 10 years.

REPRESENTATIVE GATTO suggested that the voting process should be "a private piece of information."

[8:43:40 AM](#)

MS. FENUMIAI responded that the voter list is public information, and she said she does not know what people use the list for when they purchase it.

[8:44:01 AM](#)

MS. FENUMIAI, in response to Representative Petersen, said 66.03 percent of Alaska registered voters voted in the last statewide election. In response to a follow-up question, she said she cannot say if turnout was so high because of the availability of early voting, but she said presidential elections tend to draw more voters - an average of 60 percent, versus the 50-percent range for nonpresidential elections.

[8:44:53 AM](#)

CHAIR LYNN thanked Ms. Fenumiai for the overview.

SB 43-SECOND VERSE OF ALASKA'S STATE SONG

[8:45:23 AM](#)

CHAIR LYNN announced that the next order of business was SENATE BILL NO. 43, "An Act adding a second verse to the official Alaska state song."

[8:46:14 AM](#)

REPRESENTATIVE SEATON moved to adopt the House committee substitute (HCS) for SB 43, Version 26-LS0259\R, Bullard, 3/29/10, as a work draft.

[8:46:24 AM](#)

REPRESENTATIVE PETERSEN objected for discussion purposes.

[8:46:30 AM](#)

SENATOR LINDA MENARD, Alaska State Legislature, as sponsor, explained the proposed changes in Version 26-LS0259\R, Bullard, 3/29/10. She said there are three small changes, which are proposed in response to concerns about copyright infringement in language in the second verse of the song, "Alaska's Flag." She directed attention to Section 1, beginning on line 5, where "**to the first verse**" was added to clarify that the first verse of the song was composed by [Marie Drake], and the phrase "**and**

words to the second verse by Carol Beery Davis" was added. She noted that beginning on page 2, line 7, "multiple words and punctuations have been changed to more accurately reflect the copyright's version of the second verse of the Alaska's Flag song." She explained that these changes were made to correct oversights made by the bill drafters at the bill's conception.

SENATOR MENARD directed attention to Section 2, on page 2, lines 19-22, which read as follows:

***Sec.2.** AS 44.09.040 is amended by adding a new subsection to read:

(b) A copy of "Alaska's Flag" produced for public use must have the following attribution and notice: "copyright University of Alaska Foundation, nonprofit use permitted, all other rights reserved."

SENATOR MENARD then reviewed each punctuation change [provided in a handout in the committee packet] to the second verse, the result of which is that the second verse, on page 2, lines 7-18, of Version R, read as follows:

A Native lad chose the Dipper's stars
For Alaska's flag that there be no bars
Among our culture. Let it be known
Through years the Native's past has grown
To share life's treasures, hand in hand,
To keep Alaska our Great-Land;
We love the northern midnight sky,
The mountains, lakes and streams nearby.
The great North Star with its steady light
Will guide all cultures, clear and bright,
With nature's flag to Alaskans dear,
The simple flag of the last frontier.

[8:48:30 AM](#)

REPRESENTATIVE P. WILSON directed attention to the phrasing of the second verse, on page 2, line 9, and said she is not sure how the phrasing fits with the music, because it ends "in the middle."

CHAIR LYNN responded that it is common in poetry for a sentence to end in the middle of a line.

REPRESENTATIVE P. WILSON said she knows that, but questioned how it would be sung.

[8:49:50 AM](#)

REPRESENTATIVE GATTO asked if there is a difference between the word "native" and the term "Alaska Native."

[8:50:00 AM](#)

SENATOR MENARD said she does not believe there is.

REPRESENTATIVE GATTO said his children were born in Alaska, thus, they are native Alaskan; however, they are not Alaska Native. He said he does not see the distinction made in the proposed legislation.

[8:50:42 AM](#)

SENATOR MENARD said this would be an argument about semantics. Notwithstanding that, she said considering the date the verse was written, the term Natives refers to Alaska Natives.

CHAIR LYNN said the controversy over the term Native American has existed for years, but is "probably outside the scope of this particular bill."

[8:51:52 AM](#)

REPRESENTATIVE GATTO said he disagrees. He said the sponsor's intent was not to honor "her children, or my children, or your children." He asked whose children the sponsor did intend to honor.

SENATOR MENARD stated that her intent is to not get into a debate.

REPRESENTATIVE GATTO opined, "This is the place for debate."

[8:52:22 AM](#)

REPRESENTATIVE GRUENBERG said he would impose a point of order to state that Representative Gatto is harassing the witness.

REPRESENTATIVE GATTO objected to the point of order.

[8:52:30 AM](#)

The committee took an at-ease from [8:52:31 AM](#) to [8:53:00 AM](#).

[8:53:50 AM](#)

CHAIR LYNN relayed that in House Records' minutes, a lower case "n" is used to distinguish a person born in Alaska but not Alaska Native, and a capital "N" is used to distinguish a person of Native descent in Alaska.

REPRESENTATIVE GATTO said he had not heard of that before.

[8:54:01 AM](#)

REPRESENTATIVE JOHNSON directed attention to Section 2 and asked if it is a new section. He said he wants to know if he was to hand out the words to Alaska's Flag, and he did so not as part of a nonprofit affiliation, then he would be violating a copyright.

[8:54:28 AM](#)

SENATOR MENARD answered no. She offered her understanding that after 20 years, the copyright "pretty much goes away." She said, "This was 1987, so we've had the twenty years go by."

[8:55:33 AM](#)

ALPHEUS BULLARD, Attorney, Legislative Legal Counsel, Legislative Legal and Research Services, Legislative Affairs Agency, in response to Representative Johnson's question, said he thinks if the handout Representative Johnson distributed included the attribution, "copyright University of Alaska Foundation, nonprofit use permitted, all other rights reserved", then he thinks "the law would be satisfied."

CHAIR LYNN asked if that would apply to any other song with a copyright.

MR. BULLARD answered that he does not know.

[8:56:19 AM](#)

REPRESENTATIVE JOHNSON proffered that any other song is probably connected with the American Society of Composers, Authors and Publishers (ASCAP) or Broadcast Music, Inc. (BMI), organizations that charge radio, television stations, and "everyone who uses jingles" and then distribute the money to the authors of those jingles. He said he wants to ensure that including Section 2 of

the bill would not result in people being subjected to ASCAP and BMI fines.

[8:57:49 AM](#)

SENATOR MENARD, in response to Representative Wilson, said there is a copyright on the second verse. However, she pointed out that the [University of Alaska] Foundation, with which she has collaborated, "has no objection." She indicated that the focus of the bill is to recognize the work of Carol Beery Davis in writing the second verse.

[8:58:35 AM](#)

MICHAEL ROVITO, Staff, Senator Linda Menard, Alaska State Legislature, on behalf of Senator Menard, sponsor, said he had just spoken with Mary Rutherford, President of the University of Alaska Foundation, and he related his understanding that the foundation is not worried about the distribution of the song, but wants the foundation recognized as the owner of the second verse of the song.

[8:59:11 AM](#)

REPRESENTATIVE P. WILSON asked what consequences there would be if someone printed both verses, not knowing he/she had to recognize the foundation.

[8:59:49 AM](#)

MR. ROVITO said he does not know but could find out.

[8:59:59 AM](#)

REPRESENTATIVE SEATON noted that the language on page 2, line 21, read "nonprofit use" rather than "use by a nonprofit"; therefore, the copyright fee for nonprofit use would be waived. He asked if the foundation has the copyright to both the first and second verses.

[9:01:11 AM](#)

SENATOR MENARD replied that the short answer is yes.

[9:01:18 AM](#)

REPRESENTATIVE GRUENBERG expressed concern about the legality of the issue. He noted that SB 43 has been referred to the House Judiciary Standing Committee, which is most likely to address this issue. He said it appears that Section 2 applies to both verses, when perhaps it should apply only to the second verse. He expressed concern about unintended consequences, and said he wants copyright lawyers, as well as representatives from [the foundation] available to testify. He said he would like to know if the foundation would concur with a decision to delete Section 2.

[9:03:15 AM](#)

REPRESENTATIVE JOHNSON concurred with Representative Gruenberg. He said Section 2 could be written so that the verses to the song are public domain. In response to Representative Seaton's previous remark regarding the use of the term "nonprofit", he said anyone who is not part of a nonprofit group would fall under "all other rights reserved."

[9:04:21 AM](#)

REPRESENTATIVE PETERSEN said he has been involved in playing and singing music for over 40 years, and Section 2 is a classic disclaimer that is used in conjunction with "any type of copyrighted music that is being used in any type of a public sense." The music is open for use in a nonprofit manner, but not for financial gain, he explained.

[9:05:49 AM](#)

REPRESENTATIVE JOHNSON said Representative Petersen just underlined his point that the reason the copyright is on the music is so that if someone uses it, the write of the music can be compensated. He said the language in SB 43 appears to give recourse to the University of Alaska to use the song. He recommended that the committee delete [Section 2] now and allow the House Judiciary Standing Committee to add it back in if it so chooses.

[9:06:46 AM](#)

SENATOR MENARD said that would be acceptable. She related an anecdote about a woman who sings often for the public and would like to sing the second verse, but feels uncomfortable about doing so. She said the University of Alaska has said that it

will release the second verse to be acknowledged as an official second verse.

[9:08:23 AM](#)

REPRESENTATIVE GRUENBERG said he would be comfortable deleting Section 2. He asked if wording needs to be added to let people know whether the song is in public domain.

[9:09:27 AM](#)

REPRESENTATIVE P. WILSON said she is comfortable with deleting Section 2, but she would like the bill sponsor to consider before the next committee of referral if it would need to be put back into the bill. She restated her concern regarding whether there would be consequences if someone printed out the verses without noting the copyright.

[9:10:30 AM](#)

SENATOR MENARD, in response to Representative Gatto, said currently a person would not be carried away in handcuffs who chose to sing the second verse; the person to whom she previously referred just did not feel comfortable singing a verse to the a state song that has not yet been recognized by the state legislature as an official verse.

[9:11:32 AM](#)

REPRESENTATIVE PETERSEN removed his objection to the motion to adopt Version R as the work draft. Therefore, Version R was before the committee.

[9:11:37 AM](#)

REPRESENTATIVE JOHNSON moved to adopt Conceptual Amendment 1, as follows:

Page 2, line 19-22:
Delete all language

There being no objection, Conceptual Amendment 1 was adopted.

[9:11:57 AM](#)

REPRESENTATIVE SEATON and REPRESENTATIVE GRUENBERG moved to report the proposed HCS for SB 43, Version 26-LS0259\R, Bullard,

3/29/10, as amended, out of committee with individual recommendations and the accompanying fiscal notes.

[9:12:13 AM](#)

REPRESENTATIVE GATTO objected. He said he has respect for Alaska - its cultures and history - which is why he objects. He stated his belief that the legislature should not change the state's history by adding a verse to a song that was written long ago. He said there is no law against singing the second verse or not singing it. He stated that his intent is to protect Alaska's culture - "more so than anybody who votes to change it." Representative Gatto said no one goes back to investigate the Holy Bible and change it, and if they did, they better make a new addition. He said the bill is not proposing to make a new addition song, but is adding something new to the old addition. He pointed out that the Alaska State Seal does not depict Alaska Native culture on it.

CHAIR LYNN offered his understanding that a bill was introduced a few years ago to do so.

[9:15:52 AM](#)

REPRESENTATIVE GRUENBERG noted that the first verse of Alaska's Flag refers to sourdoughs who came from the Lower 48, whereas the second verse refers to Alaska Natives. He said, "It seems to me that the second verse just restores the balance."

[9:16:45 AM](#)

A roll call vote was taken. Representatives Petersen, Seaton, Wilson, Gruenberg, and Lynn voted in favor of the motion to report the proposed HCS for SB 43, Version 26-LS0259\R, Bullard, 3/29/10, as amended, out of committee. Representatives Gatto and Johnson voted against it. Therefore, HCS SB 43(STA) was reported out of the House State Affairs Standing Committee by a vote of 5-2.

HB 241-DIVEST INVESTMENTS IN IRAN

[9:17:22 AM](#)

CHAIR LYNN announced that the next order of business was HOUSE BILL NO. 241, "An Act relating to certain investments of the Alaska permanent fund, the state's retirement systems, the State of Alaska Supplemental Annuity Plan, and the deferred

compensation program for state employees in companies that do business in Iran, and restricting those investments; and providing for an effective date."

The committee took an at-ease from [9:17:27 AM](#) to [9:19:19 AM](#).

[Due to technical difficulties with the official recording, the testimony from 9:20 a.m. through 9:28 a.m. was reconstructed from an alternative audio source.]

[9:20:34 AM](#)

REPRESENTATIVE GATTO, sponsor, moved that the committee rescind its action, on 2/16/10, in failing to report from committee the proposed committee substitute (CS) for HB 241, Version 26-LS0680\S, Kane, 2/15/10, as amended.

[9:20:44 AM](#)

REPRESENTATIVE JOHNSON objected.

[9:21:33 AM](#)

A roll call vote was taken. Representatives Seaton, Wilson, Gatto, Gruenberg, Petersen, and Lynn voted in favor of the motion to rescind the committee's action in failing to report from committee the proposed committee substitute (CS) for HB 241, Version 26-LS0680\S, Kane, 2/15/10, as amended. Representative Johnson voted against it. Therefore, the motion to rescind the committee's action passed by a vote of 6-1.

[9:21:51 AM](#)

REPRESENTATIVE GATTO spoke to the reason to pass HB 241. He said the State of Alaska currently has approximately \$1 billion invested in Iran. The federal government has clearly stated that it wants sanctions on Iran, to put pressure on the country. He indicated that the bill would not require investigation of every mutual stock in every fund, but would establish a \$20,000 threshold. He reminded the committee that the Permanent Fund Corporation had indicated that it has no issue with the proposed legislation. Investments would be transferred to other investments, he said. Representative Gatto offered his understanding that Iran will have the capability to send a nuclear weapon via missile to the U.S. within the next 10 years.

[9:25:22 AM](#)

PATRICK GALVIN, Commissioner, Department of Revenue, testified that the department appreciates the bill sponsor's efforts to minimize the administrative costs and burden in the structure of the bill. He said the governor recognizes that there are instances where it is appropriate to make investment decisions in response to national security issues. In response to Chair Lynn, he said the governor has not taken a position on HB 241, but recognizes that there are instances when it is appropriate for the state to "join with others in isolating nations that are not taking actions that are in our national interest." In response to a follow-up question, he indicated that the governor would not take action on his own, but would cooperate if the bill passed.

[9:26:15 AM](#)

REPRESENTATIVE JOHNSON spoke to his objection. He said if he thought the proposed legislation would effectively prevent the construction of nuclear weapons or even "do any good at all," he would support it. He said the cost per share difference, at two cents, will not impact Iran. He opined that if the State of Alaska really wants to have an effect on Iran, it would refuse to do business with companies that do business in Iran. He offered an example. He stated that he does not like what is happening to soldiers in Iran, but reiterated that he does not think the proposed legislation will do one bit of good.

[9:29:44 AM](#)

REPRESENTATIVE GATTO speculated that soldiers overseas follow the actions of their government, and the federal government is saying pressure on Iran is needed. He mentioned companies in Alaska that are pulling out their investments in Iran, and he asked, "Is it economics or is it public pressure?" He stated, "This is where the public pressure originates." He said the state has the ability to put public pressure "on people who kill our soldiers."

[9:31:17 AM](#)

REPRESENTATIVE GRUENBERG remarked, "A journey begins with a single step."

[9:31:23 AM](#)

REPRESENTATIVE SEATON stated that the fighting is in Pakistan, which is also where the Taliban is. He related that there are 500,000-800,000 Afghani refugees in Iran. He said he has not heard of cross-border conflicts or missiles being fired into Iran. He stated that there is concern about potential nuclear weaponry, but the testimony by the Chief of Staff and commanders in the field has not shown that Iranians are shooting American soldiers.

REPRESENTATIVE SEATON mentioned companies from around the world, which Alaska has tried to work with in developing the state's oil fields. He questioned how moral the state would be in divesting from all these companies while still being in partnership with them and giving them tax credits to develop oil fields and leases on Alaska lands.

[9:35:22 AM](#)

REPRESENTATIVE GATTO stated that HB 241 is not an omnibus bill, but it is a powerful first step, "especially in light of the fact that we've seen major oil companies pull out of Iran." He said parts for improvised explosive devices are being made in Iran and then being shipped out and sold. He stated, "So, while they're not actually throwing the bombs at us, they're making the parts."

[9:36:28 AM](#)

REPRESENTATIVE JOHNSON said he trusts Representative Gatto to accurately report that there are companies pulling out of Iran, but he is not comfortable concluding that the reason those companies are leaving is in response to public opinion.

[9:37:18 AM](#)

REPRESENTATIVE GATTO read some news release headlines indicating that Iran is tied to the killing of U.S. soldiers and involved in supplying weapons to the Taliban.

[9:37:42 AM](#)

REPRESENTATIVE GRUENBERG moved [to report the proposed committee substitute (CS) for HB 241, Version 26-LS0680\S, Kane, 2/15/10, as amended, from the House State Affairs Standing Committee.]

[9:37:54 AM](#)

REPRESENTATIVE JOHNSON objected.

[9:37:58 AM](#)

A roll call vote was taken. Representatives Wilson, Gatto, Gruenberg, Petersen, and Lynn voted in favor of the motion to report the proposed committee substitute (CS) for HB 241, Version 26-LS0680\S, Kane, 2/15/10, as amended, from the House State Affairs Standing Committee. Representatives Johnson and Seaton voted against it. Therefore, CSHB 241(STA) was reported out of the House State Affairs Standing Committee by a vote of 5-2.

HB 128-INTRODUCTION OF MEASURES/FISCAL NOTES
HCR 8-UNIFORM RULES: MEASURE SPONSORS/READINGS

[9:38:51 AM](#)

CHAIR LYNN announced that last order of business was HOUSE BILL NO. 128 "An Act relating to introduction of measures and to fiscal notes for measures."; and HOUSE CONCURRENT RESOLUTION NO. 8 Proposing amendments to the Uniform Rules of the Alaska State Legislature relating to withdrawing measures, to sponsors of measures, to prefiling measures, and to the three readings of bills.

[9:40:02 AM](#)

REPRESENTATIVE GATTO moved to adopt the proposed committee substitute (CS) for HCR 8, Version 26-LS0366\C, Cook, 3/25/10, as a work draft.

REPRESENTATIVE SEATON objected for discussion purposes.

[9:40:18 AM](#)

TED MADSEN, Staff, Representative Max Gruenberg, Alaska State Legislature, explained the changes that would be made to HCR 8, through Version C. First, he noted, on page 3, lines 10-14, language would be added to describe when a member may remove his/her name as sponsor, joint prime sponsor, cosponsor, or cross cosponsor of a measure. The second change would be the removal of Section 4, which addressed the first reading of bills and resolutions. He said that change was made at the recommendation of Representative Seaton.

[9:41:13 AM](#)

REPRESENTATIVE SEATON removed his objection. There being no further objection, Version C was before the committee as a work draft.

[9:41:23 AM](#)

REPRESENTATIVE GRUENBERG, sponsor, said both HB 128 and HCR 8 are companion pieces that could be considered during the interim. He explained that HCR 8 is a vehicle for changes that would have to be made through a resolution, while HB 128 is a vehicle for changes that would have to be made in statute.

[9:41:55 AM](#)

REPRESENTATIVE GRUENBERG reviewed the issues of the proposed legislation. First he said, is the question of how many members it should take to move a bill out of committee, whether it should be a majority of those present or a majority of the full committee. He opined that whatever decision is made should be required for all committees and should not be an issue that can be overridden by the chair of the committee. A second issue to consider, he said, has to do with teleconferencing for those who are not present "or work during the interim." He said Tamara Cook, the director of Legislative Legal and Research Services, found related legislation, House Concurrent Resolution 60, from the Fourteenth Alaska State Legislature. Further issues to consider are the procedures used on the House floor. He explained that at one time, both Congress and the Alaska State Legislature addressed members on the floor by naming their state or district, respectively. Now, the U.S. Senate calls each other by name, but the Alaska State Legislature continues to call each other by district number. He said it would make the system more "user friendly" to call each other by name.

[9:44:35 AM](#)

REPRESENTATIVE GRUENBERG expressed interest in ensuring that the titles of measures are kept sufficiently narrow, to avoid the problems that result when unrelated issues get "tacked on" to legislation. In response to a question from Representative Wilson, he said the word "measure" is used in the proposed legislation, because it can mean a bill or resolution. He said the idea was raised when discussing prefiling of legislation. Representative Gruenberg stated, "If we leave one thing behind us, I would hope it's a legislature that's good, that's strong,

that functions well, and that's user-friendly for us and the public."

9:46:40 AM

CHAIR LYNN announced that both HCR 8 and HB 128 were held over.

9:47:40 AM

ADJOURNMENT

There being no further business before the committee, the House State Affairs Standing Committee meeting was adjourned at 9:47 a.m.