

ALASKA STATE LEGISLATURE
HOUSE STATE AFFAIRS STANDING COMMITTEE

April 8, 2010

8:08 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

SENATE BILL NO. 244

"An Act providing that, during the governor's term of office, the duty station of the governor is Juneau, and prohibiting payment of certain travel allowances for use of the governor's personal residence."

- MOVED HCS SB 244(STA) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: SB 244

SHORT TITLE: GOVERNOR'S DUTY STATION/TRAVEL ALLOWANCES

SPONSOR(S): SENATOR(S) STEDMAN

01/29/10	(S)	READ THE FIRST TIME - REFERRALS
01/29/10	(S)	STA, JUD
02/11/10	(S)	STA AT 9:00 AM BELTZ 105 (TSBldg)
02/11/10	(S)	Moved SB 244 Out of Committee
02/11/10	(S)	MINUTE(STA)
02/12/10	(S)	STA RPT 4DP
02/12/10	(S)	DP: MENARD, PASKVAN, MEYER, FRENCH
02/24/10	(S)	JUD AT 1:30 PM BELTZ 105 (TSBldg)
02/24/10	(S)	<Bill Hearing Postponed>
03/01/10	(S)	JUD AT 1:30 PM BELTZ 105 (TSBldg)
03/01/10	(S)	Heard & Held
03/01/10	(S)	MINUTE(JUD)

03/15/10 (S) JUD AT 1:30 PM BELTZ 105 (TSBldg)
03/15/10 (S) Moved SB 244 Out of Committee
03/15/10 (S) MINUTE(JUD)
03/16/10 (S) JUD RPT 3DP 2NR
03/16/10 (S) DP: FRENCH, COGHILL, EGAN
03/16/10 (S) NR: WIELECHOWSKI, MCGUIRE
03/18/10 (S) TRANSMITTED TO (H)
03/18/10 (S) VERSION: SB 244
03/19/10 (H) READ THE FIRST TIME - REFERRALS
03/19/10 (H) STA, JUD
04/01/10 (H) STA AT 8:00 AM CAPITOL 106
04/01/10 (H) Scheduled But Not Heard
04/06/10 (H) STA AT 8:00 AM CAPITOL 106
04/06/10 (H) Scheduled But Not Heard
04/08/10 (H) STA AT 8:00 AM CAPITOL 106

WITNESS REGISTER

DARWIN PETERSON, Staff
Senator Bert Stedman
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Presented SB 244 on behalf of Senator Stedman, sponsor.

KEVIN BROOKS, Deputy Commissioner
Office of the Commissioner
Department of Administration
Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on SB 244.

ACTION NARRATIVE

[8:08:00 AM](#)

CHAIR BOB LYNN called the House State Affairs Standing Committee meeting to order at 8:08 a.m. Representatives Seaton, Gatto, Petersen, and Lynn were present at the call to order. Representatives Johnson, Wilson, and Gruenberg arrived as the meeting was in progress.

SB 244-GOVERNOR'S DUTY STATION/TRAVEL ALLOWANCES

[8:08:10 AM](#)

CHAIR LYNN announced that the only order of business was SENATE BILL NO. 244, "An Act providing that, during the governor's term of office, the duty station of the governor is Juneau, and prohibiting payment of certain travel allowances for use of the governor's personal residence."

The committee took an at-ease from [8:08:25 AM](#) to [8:13:39 AM](#).

[8:14:13 AM](#)

DARWIN PETERSON, Staff, Senator Bert Stedman, Alaska State Legislature, presented SB 244 on behalf of Senator Stedman, sponsor. He stated that the proposed bill would codify in statute the administrative requirement that Juneau is officially considered the governor's duty station. Currently there are no statutory provisions requiring the governor to reside in the capital city and occupy the governor's mansion during his/her term of office. He related that SB 244 would not prohibit the governor from maintaining a personal residence anywhere else in Alaska; however, the governor would be subject to state personnel laws as they apply to the calculation and payment of travel allowances. If passed, the legislation would not affect the current governor, but would affect all future governors.

[8:15:38 AM](#)

KEVIN BROOKS, Deputy Commissioner, Office of the Commissioner, Department of Administration, in response to Chair Lynn, said the proposed legislation would not change the pay allowance of the governor. He described the bill as "a formal statement of duty station," noting that "current practice is consistent with how the bill is constructed." He related that every state employee in the executive branch has a formal duty station, with the exception of the governor. The proposed bill would treat the position of governor like all other positions in the executive branch. In response to a question from Chair Lynn, he said he does not know why the governor has been excluded thus far.

[8:18:04 AM](#)

REPRESENTATIVE GATTO ascertained that Mr. Brooks, whose duty station is Juneau, lives in Juneau. He pointed out that Mr. Brooks could, if he wanted, live in Anchorage and fly to Juneau every day for work. He asked Mr. Brooks if he distinguishes as "fairly special" a situation in which someone owns a house in a

community other than Juneau and is elected and given a house in Juneau.

MR. BROOKS responded, "I would agree, that's fairly unique, as it relates to other employees in the executive branch."

CHAIR LYNN stated his assumption that the governor has use of the governor's mansion rent-free.

REPRESENTATIVE GATTO and MR. BROOKS confirmed that is correct.

REPRESENTATIVE GATTO said the governor is elected for a finite amount of time - there is a term limit of eight years. He asked, "In your opinion, is this distinction for the governor so different from other employees that we should not declare the governor's duty station?"

[8:20:11 AM](#)

MR. BROOKS offered his perspective that the proposed legislation would provide some guidance and clarity. He said it is not uncommon for an individual to take a job in one part of the state and have a home in another part. He relayed that there is a state administrative manual used by all state agencies, which outlines rules regarding travel. The state makes a distinction between lodging expense and meal allowance. Currently the state gives \$60 a day for meal allowance, while lodging expense is only given as a reimbursement for expenditure. Mr. Brooks offered an example in which a state employee has a home in Anchorage and a duty station in Juneau. If that employee flies to Anchorage on state business and stays in his/her home while in Anchorage, he/she would not be given lodging allowance reimbursement, because no money would have been spent by that employee on lodging. Mr. Brooks stated that the proposed bill is consistent with current policy. He said, "It makes some clarification on a single position where it doesn't exist, and it's how we treat 1,500 other executive branch employees."

[8:22:52 AM](#)

MR. BROOKS, in response to Chair Lynn, said there is publicized debate about how a former governor was reimbursed for meal allowance. In response to a follow-up question, he confirmed that currently Juneau is not specified in statute as the governor's duty station. He said if a governor had a home in Anchorage, stayed at that home during a state-related business trip in Anchorage, and bought groceries and cooked meals at that

home, he/she could be reimbursed at the \$60-a-day amount if he/she submitted a claim. Likewise, if the governor ate at a restaurant while in Anchorage, he/she could be reimbursed. He indicated that that reimbursement would not be available for eating out at a restaurant in the duty station.

8:26:37 AM

MR. BROOKS, in response to Representative Gatto, confirmed that under SB 244, a governor would still be allowed to travel for state business from Juneau to a town in which he/she owned a home, stay in that home during the business trip, and submit a claim to be reimbursed \$60 a day for food.

REPRESENTATIVE GATTO responded that it is not clear what change would be effected by SB 244.

8:27:37 AM

REPRESENTATIVE JOHNSON asked if there is an option of receiving per diem or reimbursement in the executive branch.

MR. BROOKS answered there is not.

8:28:12 AM

MR. PETERSON, in response to Chair Lynn, clarified that the intent of the proposed legislation is not to change policy, but rather it is simply a statement of policy that Juneau, a capital city, is the duty station of the governor. That statement would be codified in statute, he said. In response to a follow-up question from Chair Lynn, he explained that under SB 244, since Juneau would be named in statute as the governor's duty station, it may become an issue if a governor did not live in Juneau.

8:29:34 AM

MR. PETERSON, in response to Representative Gatto, read the first sentence of the definition of duty station, which is in the aforementioned Alaska Administrative Manual [excerpts included in the committee packet], as follows:

The duty station of a traveler includes the city, town, or village within 50 miles of where the traveler spends the major portion of their working time, or the place to which the traveler returns to duty on completion of special assignments.

MR. PETERSON said the bill would not prevent the governor from traveling. He stated, "It's just when the governor returns home and the governor's living in Alaska, the capital ... city and the governor's mansion is where the governor should reside."

CHAIR LYNN noted that Mr. Peterson said "should reside."

MR. PETERSON said yes. In response to Representative Gatto, he said the bill specifies Juneau as the capital city; therefore, if SB 244 was passed into law, statute would have to be amended if the capital city ever was relocated.

CHAIR LYNN suggested the language be changed now to read "capital" rather than "Juneau".

[8:32:49 AM](#)

MR. BROOKS, in response to Representative Seaton, explained that without SB 244, a governor from Kotzebue, for example, could decide that Kotzebue is his/her duty station, which would mean every time that governor came to Juneau, he/she could stay in the governor's mansion and eat the meals provided there and submit a claim for those meals.

[8:35:32 AM](#)

REPRESENTATIVE PETERSEN recollected that in the past, there has been controversy regarding the travel of the governor's children. He noted that that issue is not addressed in SB 244, and he questioned why.

MR. PETERSON responded that the sponsor intentionally did not address that issue, because it is a much more complicated issue that would probably require a separate piece of legislation.

REPRESENTATIVE PETERSEN offered a hypothetical situation in which the governor's children do not come to Juneau with the governor, in order to remain in their school and hometown located in other than Juneau. He asked if under SB 244, with the governor's duty station being Juneau, the governor's travel back and forth from Juneau to see his/her children would be paid by the state.

[8:37:43 AM](#)

MR. BROOKS responded that he cannot imagine that the governor's trips to see his/her children would not also include business,

because the position of governor is held 365 days of the year; therefore, he speculated that those trips may be paid for by the state.

CHAIR LYNN remarked that legislators also represent the state 365 days of the year.

MR. BROOKS responded that is correct.

[8:38:59 AM](#)

REPRESENTATIVE GRUENBERG asked if anyone has raised the issue of separation of power in relation to the proposed legislation.

MR. PETERSON answered yes. He said the issue was raised with Legislative Legal and Research Services. He relayed that not only is it within the purview of the Alaska State Legislature to declare the governor's duty station, the legislature is the only body in the state that can do so.

[8:40:10 AM](#)

REPRESENTATIVE GRUENBERG opined that if the state regularly provides the governor with meals "here," and the governor does not eat those meals, then it should be fair that the state pay an equivalent cost "wherever the governor eats the meals."

MR. BROOKS responded that that would occur under SB 244. In response to a follow-up question from Representative Gruenberg, he offered his understanding that currently a governor who, for example, lives in Wasilla and drives back and forth from Wasilla to Anchorage would not get reimbursed for that travel expense, and the proposed legislation "doesn't change that at all."

[8:42:13 AM](#)

REPRESENTATIVE GRUENBERG asked for confirmation that currently the governor "would be entitled to the meal allowance," so [SB 244] would not change that either.

MR. BROOKS replied, "Currently a governor would be eligible for that meal allowance." He clarified that the proposed legislation does not change current practice, but "makes that distinction between ... lodging costs versus meal allowance." In response to a follow-up question, he specified that SB 244 would put "duty station into law."

[8:42:50 AM](#)

REPRESENTATIVE SEATON offered his understanding that under SB 244, when a governor who has residence in another part of the state comes to Juneau and is given meals, he/she would not be allowed to claim meal allowance. He clarified that without the proposed legislation, a governor could claim a meal allowance when in Juneau if he/she declared someplace outside of Juneau as his/her duty station. He offered his understanding that SB 244 would correct that, and he said he sees that as the proposed bill's biggest impact.

MR. BROOKS responded, "What you just described is accurate."

[8:44:28 AM](#)

CHAIR LYNN recollected that a former governor had released the cook staff at the governor's mansion. He asked who would have paid for the food after that happened.

MR. BROOKS imparted, "The state would have still purchased the food, just would not have been paying to have it prepared."

CHAIR LYNN asked for clarification regarding how that situation would have been changed under SB 244. He asked, "Is it the cook that's paid for or is it the food that's consumed that's paid for?"

MR. BROOKS offered his understanding that it is an option for the governor to have staff that will purchase groceries, prepare meals, and clean up afterward. He then offered his understanding that the aforementioned previous governor chose to have the state reimburse the purchase of food and leave the preparation to the governor's family.

CHAIR LYNN concluded, "But this bill wouldn't change any of that at all."

MR. BROOKS confirmed that is correct.

[8:46:35 AM](#)

REPRESENTATIVE PETERSEN pointed out that there is an office in Anchorage that is frequently used by the governor, and he asked if the bill would make Juneau the duty station 365 days of the year, even if the legislature was not currently in session.

MR. BROOKS replied, "It would be the duty station for purposes of calculating travel - not necessarily where they worked or spent time - because obviously the governor is going to spend time throughout the state and ... outside of the state, as well." In response to Chair Lynn, he stated that SB 244 would not force the governor to live in Juneau.

8:47:43 AM

REPRESENTATIVE P. WILSON offered her understanding that the proposed legislation would make accounting easier. Furthermore, the bill would not allow a governor to get paid for the miles he/she travels between home and work.

8:49:00 AM

MR. BROOKS said Representative Wilson is correct regarding accounting. However, he said the issue of mileage is really not addressed in the proposed legislation.

REPRESENTATIVE P. WILSON directed attention page 2, line 8, Section 2(b)(2), which read as follows:

(2) the governor is not entitled to, and may not claim as a travel allowance, a lodging allowance when staying in the governor's personal residence while in travel status away from the governor's designated duty station.

MR. BROOKS said the key [term] in that bill language is "lodging allowance".

CHAIR LYNN asked, "Was that ever claimed before - lodging allowance?"

MR. BROOKS offered his understanding that the answer is no, but said the claims are handled by the governor's administrative office. He said, "To get a lodging allowance, you have to submit an invoice."

REPRESENTATIVE P. WILSON said the language in the bill is not clear. She suggested that a comma should be added after "lodging allowance". She explained that that would clarify that "we're talking about the lodging allowance."

MR. PETERSON said that would be a fine amendment that would clarify the language.

8:51:20 AM

REPRESENTATIVE PETERSEN asked if, in the event a governor from Juneau was elected and wanted to live in his/her own home rather than in the governor's mansion, the state would provide food and a cook.

8:51:52 AM

MR. BROOKS responded that the bill really does not address the provision of a cook or other food preparers. He said the governor in that hypothetical situation certainly would not be given a lodging allowance.

REPRESENTATIVE GATTO asked, "What if they rented a house and had rental receipts and stayed in their house? Would they get a lodging allowance?"

MR. BROOKS said if that was in Juneau the governor would not get a lodging allowance, because under SB 244, the governor would be in his/her duty station. In response to Chair Lynn, he offered his understanding that the same answer would be true currently, without SB 244.

REPRESENTATIVE GATTO asked, "What if they went to the Goldbelt - now they have a receipt. Can they submit that?"

MR. BROOKS replied, "If duty station is defined in Juneau that would not be reimbursed."

8:53:24 AM

REPRESENTATIVE GRUENBERG stated his understanding that the proposed legislation would make it clear that when a governor is staying in his/her personal residence, anywhere in the state, he/she would not be given a lodging allowance. Furthermore, if the governor is in Juneau, he/she would not get a meal allowance either, "because you had chosen to buy your meals outside and not have them provided by the state."

MR. BROOKS said he believes that is accurate.

REPRESENTATIVE GRUENBERG further stated his understanding that a governor with a residence in Anchorage or Wasilla, for example, who was working in those locations, could get a meal allowance.

MR. BROOKS responded that is correct.

REPRESENTATIVE GRUENBERG said that seems fair. He said former Governor Sarah Palin did not receive a mileage allowance, because the state provided a car for her and the gasoline. He opined that that is fair, as well. He said there are governors in other states who have chosen not to live in the governor's residence in order to save money for the state. He said a governor might have to go to another part of the state to conduct state business when the legislature is not in session, and it is reasonable for the governor to stay in his/her own residence.

[8:56:31 AM](#)

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

[8:56:39 AM](#)

REPRESENTATIVE P. WILSON moved to adopt Conceptual Amendment 1, as follows:

Page 2, line 9, between "lodging allowance" and
"when":
Insert ", "

REPRESENTATIVE P. WILSON explained that Conceptual Amendment 1 would provide clarification.

CHAIR LYNN asked if there was any objection. There being no objection, Conceptual Amendment 1 was adopted.

[8:57:14 AM](#)

REPRESENTATIVE JOHNSON moved to adopt Amendment 2, as follows:

Page 1, line 2:
Delete "Juneau"
Insert "the state capital"

CHAIR LYNN asked if there was any objection. There being none, Amendment 2 was adopted.

[8:57:47 AM](#)

REPRESENTATIVE JOHNSON moved to adopt Amendment 3, as follows:

Page 2, line 6:
Delete "Juneau"
Insert "the state capital"

REPRESENTATIVES P. WILSON and SEATON objected.

[8:58:12 AM](#)

REPRESENTATIVE SEATON asked Mr. Brooks if duty stations are assigned by particular city. He asked if there is any difference in the way the bill would be implemented if it read "Juneau" or "the capital city".

MR. BROOKS explained that currently each employee's duty station is designated as a specific city. He continued as follows:

But I think there's an understanding ..., from hearing the discussion here, that if the capital is currently Juneau, then that's the duty station - the actual city we would use, and ... if it ever changed, then we would adjust it accordingly.

[8:59:08 AM](#)

REPRESENTATIVE SEATON removed his objection.

[8:59:19 AM](#)

MR. PETERSON said he does not think the bill sponsor would have a problem with Amendment 3, because changing "Juneau" to "the capital city" would still accomplish his intent.

[8:59:38 AM](#)

REPRESENTATIVE P. WILSON removed her objection.

CHAIR LYNN announced that there being no further objection, Amendment 3 was adopted.

[9:01:10 AM](#)

REPRESENTATIVE SEATON moved to report SB 244, as amended, out of committee with individual recommendations and the accompanying fiscal notes.

[9:01:28 AM](#)

REPRESENTATIVE GATTO objected. He expressed his concern that the proposed legislation would have little real effect, but would add constraints; therefore, he sees no benefit in passing the bill.

[9:01:54 AM](#)

A roll call vote was taken. Representatives Johnson, Gruenberg, Petersen, Seaton, Wilson, and Lynn voted in favor of the motion to report SB 244, as amended, out of committee with individual recommendations and the accompanying fiscal notes. Representative Gatto voted against it. Therefore, HCS SB 244(STA) was reported out of the House State Affairs Standing Committee by a vote of 6-1.

[9:03:28 AM](#)

ADJOURNMENT

There being no further business before the committee, the House State Affairs Standing Committee meeting was adjourned at 9:03 a.m.