

**ALASKA STATE LEGISLATURE**  
**SENATE COMMUNITY AND REGIONAL AFFAIRS STANDING COMMITTEE**

January 28, 2010

3:47 p.m.

**MEMBERS PRESENT**

Senator Linda Menard  
Senator Albert Kookesh  
Senator Joe Thomas, Vice Chair  
Senator Donald Olson, Chair

**MEMBERS ABSENT**

Senator Hollis French

**OTHER LEGISLATORS PRESENT**

SENATOR DENNIS EGAN

**COMMITTEE CALENDAR**

SENATE BILL NO. 43

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

MOVED SB 43 OUT OF COMMITTEE

SENATE BILL NO. 212

"An Act authorizing municipalities to designate energy improvements areas and to establish energy improvements programs and relating to those programs."

HEARD AND HELD

Fairbanks Annexation Report from the Local Boundary Commission

MATERIALS DISTRIBUTED; HEARING REQUESTED

**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)

BILL: SB 212

SHORT TITLE: MUNICIPAL ENERGY IMPROVEMENTS PROGRAM

SPONSOR(s): SENATOR(s) EGAN

01/19/10 (S) PREFILE RELEASED 1/8/10  
01/19/10 (S) READ THE FIRST TIME - REFERRALS  
01/19/10 (S) CRA, FIN  
01/28/10 (S) CRA AT 3:30 PM BELTZ 105 (TSBldg)

**WITNESS REGISTER**

SENATOR LINDA MENARD  
Alaska State Capitol  
Juneau, AK

**POSITION STATEMENT:** Sponsor of SB 43.

CONSTANCE DAVIS  
Representing herself  
Alaska State Capitol  
Juneau, AK

**POSITION STATEMENT:** Supported SB 43.

CONSTANCE MUNRO  
Representing herself and Alaska Native Sisterhood Camp Two  
Alaska State Capitol  
Juneau, AK

**POSITION STATEMENT:** Supported SB 43.

MARIE DARLIN  
Representing herself  
Alaska State Capitol  
Juneau, AK

**POSITION STATEMENT:** Supported SB 43.

SENATOR DENNIS EGAN  
Alaska State Capitol  
Juneau, AK

**POSITION STATEMENT:** Supported SB 43 and sponsor of SB 212.

ALIDA BUS  
Aide to Senator Egan  
Alaska State Capitol  
Juneau, AK.

**POSITION STATEMENT:** Present to answer questions on SB 212.

**ACTION NARRATIVE**

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**CHAIR DONALD OLSON** called the Senate Community and Regional Affairs Standing Committee meeting to order at 3:47 p.m. Senators Kookesh, Menard, Thomas and Olson were present at the call to order.

CHAIR OLSON said the boundary decision on annexation by the City of Fairbanks was provided to the committee members for informational purposes only.

**SB 43-SECOND VERSE OF ALASKA'S STATE SONG**

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CHAIR OLSON announced the first order of business to come before the committee would be SB 43.

SENATOR MENARD, sponsor of SB 43, said the bill would add an official second verse to the Alaska Flag Song. SB 43 has a zero fiscal note and will implement something many have wanted for years. She explained that the Alaska Flag Song, written by Juneau resident, Marie Drake, was adopted by the territorial legislature in 1955. Having just had the 50th anniversary of statehood, this would be the appropriate time to add the second verse. Passing SB 43 would be an overdue honor to Carol Beery Davis, who wrote the second verse out of love for Alaska and its Native population in 1987, and pay homage to Benny Benson, who designed the Alaska state flag.

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CONSTANCE DAVIS, daughter of Carol Beery Davis and Trevor Davis, spoke in support of SB 43. She said her mother [Carol Beery Davis] came to Juneau in 1920, worked as the organ player for silent movies, and became close friends with Elinor Dusenbury and Marie Drake, secretary to the Commissioner of Education. In 1926, the Governor and the American Legion started a contest for school children to create a flag. After choosing the flag, the Commissioner of Education said school children should receive a flag and a copy of the Flag Act. Ms. Drake wrote a jingle that she thought would be more appropriate for children than the Flag Act. Ms. Constance Davis said that recognition of Alaska Natives and Benny Benson, who designed the flag, were left out of the poem at that time. Ms. Drake travelled around the state to introduce the poem to children; the poem was officially recognized by the Legislature in 1955. Ms. Constance Davis explained that Ms. Dusenbury, who had moved back to Omaha but

was very homesick for Haines, Alaska, wrote the music to accompany the poem.

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MS. CONSTANCE DAVIS explained that the second verse recognizes Alaska Natives, especially Benny Benson, the beauty of the land and the progress of Alaska and Alaskans. She explained that the second verse is not a rewrite of the song, but an addition. She noted that not all newcomers learn the song anymore and she would like the University of Alaska, Fairbanks, who owns the copyright, to print sheet music again, with both verses.

SENATOR MENARD pointed out that Fran Ulmer, former Mayor of Juneau, and former Lieutenant Governor, has expressed support for the second verse, as has the University of Alaska.

MS. DAVIS said the Alaska Youth Choir and conductor, Missouri Smyth, have been singing the second verse when travelling to other countries.

CHAIR OLSON asked for clarification that Marie Drake wrote the poem and Elinor Dusenbury wrote the song.

MS. CONSTANCE DAVIS replied yes and explained that they worked together though Ms. Dusenbury was in Omaha.

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MS. CONSTANCE DAVIS said people were talking about a second verse when a friend approached her 95 year old mother [Carol Beery Davis,] who stayed up all night working on it. The second verse was Carol Beery Davis' last gift to the state.

CHAIR OLSON asked if Carol Beery Davis was 95 years old in 1987 when she wrote the second verse.

MS. DAVIS replied yes.

CHAIR OLSON recognized Senator Egan as being in the room.

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CHAIR OLSON opened public testimony.

CONSTANCE MUNRO, representing herself and Alaska Native Sisterhood Camp Two, said as a new resident of Alaska, the first legislative activity she attended was the singing of the Alaska Flag Song in 1971. She was "a little stunned" and remarked that she would not sing the song until Alaska Natives were

recognized. Carol Berry Davis suggested a contest should be run for a second verse. The Native Coalition of Legislators decided a second verse should be a gift from a non-native, not the product of a contest.

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MS. MUNRO explained that when she had to leave Alaska in 1985 or 86, she told Carol Beery Davis that she regretted not achieving the gifting of a second verse to Alaska Natives. Carol Beery Davis called Ms. Munro the next morning and said she had a gift [the second verse for the state song.] Members of the Alaska Native Brotherhood and Sisterhood and Alaska Native legislators looked at the second verse. Some testified the first time this piece of legislature was proposed [HB 45 in 2003]. She hopes this legislative body will take the lead and get SB 43 through.

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MARIE DARLIN, representing herself, said that though it has been tried before, she was glad to see the second verse might actually become law. She feels it really deserves to be official.

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CHAIR OLSON asked if Senator Egan, as the first state Governor's son, would like to say anything about the second verse being added to the state song.

SENATOR EGAN said he was in full support of SB 43. He had talked to former Lieutenant Governor and former Juneau mayor, Fran Ulmer, about the second verse. The Juneau assembly passed a resolution in support of the second verse years ago.

CHAIR OLSON asked what Senator Egan's dad would say about the second verse being added to the state song.

SENATOR EGAN said he would be in favor of it and that his mother, who is 95 years old, still sings the first verse every day and is slowly learning verse two.

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SENATOR KOOKESH recognized Ms. Monro's dedication over the years. He said he is an Alaska Native and a lifelong resident and was disappointed to see this legislation fail previously. He was a member of the House and then the Senate when majorities in those bodies would not adopt a bill with the words "Alaska Native" or the word "tribe." For the first time in history, two bills were passed in 2009 with the words "tribe" and "Alaska

Native." He said the state seal has no depiction of an Alaska Native. This is a great step in the right direction and he hoped SB 43 would pass.

SENATOR THOMAS moved to report SB 43 from committee with individual recommendations.

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CHAIR OLSON said the motion needed to be restated.

SENATOR THOMAS moved to report SB 43 to the next committee of referral with individual recommendations and a zero fiscal note. Without objection, it was so ordered.

#### **FAIRBANKS ANNEXATION, LEGISLATIVE REVIEW**

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SENATOR THOMAS requested that the Senate Community and Regional Affairs committee hold hearings on the local boundary commission's December 10th, 2009 approval of the annexation of several parcels of property in the Fairbanks area.

#### **SB 212-MUNICIPAL ENERGY IMPROVEMENTS PROGRAM**

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CHAIR OLSON announced the consideration of SB 212.

SENATOR EGAN, sponsor of SB 212, said the bill creates jobs and more sustainable communities and makes buildings more energy efficient. It is an innovative financing mechanism designed to accelerate the energy retrofits of Alaska's homes and commercial buildings. He explained that property owners borrow money from a newly established municipal financing district to finance energy retrofits, including efficiency measures and micro-renewable energy. The borrower repays over 20 years through an annual special tax on a municipality's property tax bill. This financing model has been successful in 16 other states and numerous counties. It is an option only; SB 212 gives power to the municipalities to opt in or out.

SENATOR KOOKESH asked if any money would be available for the program if a municipality chose to participate but the district did not issue a bond.

SENATOR EGAN replied that SB 212 gives municipalities a mechanism to opt in should the municipality choose to do so. He said he is concerned about smaller communities and is assuming some of the revolving energy money, funded through the municipality, could be used for this. The municipality can set the rates and the terms.

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SENATOR KOOKESH asked if the bond obligation stays with the home if, for example, a home owner gets one of these loans and then sells the property.

SENATOR EGAN replied that it would be a part of the owner's property tax. Just as municipalities require now, if the home was sold or foreclosed, the entire debt must be paid.

SENATOR KOOKESH said the idea is innovative.

CHAIR OLSON said if someone is in foreclosure, no bills will get paid.

SENATOR EGAN replied that if the municipality forecloses on the building, the municipality will sell it and collect the tax.

CHAIR OLSON asked if the municipality will get back what was put into the property.

SENATOR EGAN said he believed so.

SENATOR MENARD asked if Senator Egan was trying to establish a fund that municipalities can choose to be part of or not.

SENATOR EGAN replied that was correct.

SENATOR MENARD asked if the 16 other states with similar laws have similar weather conditions.

SENATOR EGAN said the 16 other states are all around the country. Major communities in California also have similar programs.

CHAIR OLSON asked about the success of those programs.

SENATOR EGAN said according to the National Council of State Legislatures, the programs have been very successful.

SENATOR KOOKESH asked how the bond obligation is disclosed if an owner wants to sell his or her house. He thought there would have to be a disclosure if an owner, who wants to sell, has taken the loan, has made improvements on the house and is obligated to make additional tax payments to the municipality.

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SENATOR EGAN replied that it would be part of the mortgage. There is some concern from lending organizations because it is unprecedented. In other municipalities, additional tax is tacked on to the owner's property tax bill.

SENATOR KOOKESH corrected Senator Egan that it is not on the mortgage then, but on the tax bill.

SENATOR EGAN said absolutely.

SENATOR KOOKESH said the municipality would show the home owner and borrower of the loan has a tax obligation to pay. So a buyer would have to be informed about the tax obligation associated with the home.

SENATOR EGAN said that is correct, a new buyer would assume that obligation.

SENATOR THOMAS asked about Section (b) on page two: "In addition the municipality may require any other security for a loan that the municipality determines to be reasonable" [Section 1 (b), lines 10 and 11.] He asked what that language implied and what other instruments other states have used.

SENATOR EGAN said it would be up to the municipality to set the terms, the amount and the interest rate. He assumed other municipalities' requirements varied.

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SENATOR THOMAS said he was curious what other collateral has been considered by other municipalities.

SENATOR EGAN said he would get that information.

CHAIR OLSON asked if anyone was opposed to SB 212.

SENATOR EGAN replied no.

CHAIR OLSON asked if Senator Egan was anticipating opposition.

SENATOR EGAN said he spoke with the state assessor who is not in opposition to SB 212.

CHAIR OLSON asked about any municipalities.

SENATOR EGAN said that the City and Borough of Juneau and the Alaska Municipal League have not opposed it.

SENATOR KOOKESH asked about Tamara Cook's [Legal Services Director, Alaska State Legislature] statement that "the municipality must provide an explanation of the program to electric and natural gas utilities operating in the area of the proposed program at least 30 days before adopting the ordinance." He said he has never heard of having to tell a local utility that an ordinance is going to be adopted. He asked if Senator Egan could find out why that would be necessary or if the next committee would possibly take that up.

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SENATOR KOOKESH said SB 212 is very innovative and could develop some energy savings in the state. Not everyone qualifies for the energy program that started last year and this program could pick up some of that slack.

CHAIR OLSON asked why it was not put in place years ago if it was such a good bill. He was impressed. [SB 212 was held in committee.]

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CHAIR OLSON thanked everyone for their comments and finding no further business to come before the committee, adjourned the meeting at 4:24 p.m.