

SENATE FINANCE COMMITTEE
April 17, 2009
9:25 a.m.

9:25:23 AM

CALL TO ORDER

Co-Chair Stedman called the Senate Finance Committee meeting to order at 9:25 a.m.

MEMBERS PRESENT

Senator Lyman Hoffman, Co-Chair
Senator Bert Stedman, Co-Chair
Senator Charlie Huggins, Vice-Chair
Senator Johnny Ellis
Senator Donny Olson
Senator Joe Thomas

MEMBERS ABSENT

None

ALSO PRESENT

Konrad Jackson, Staff, Representative Kurt Olson; Pat Davidson, Legislative Auditor, Legislative Audit Division, Legislative Affairs Agency; Crystal Koeneman, Staff, Representative Fairclough;

PRESENT VIA TELECONFERENCE

None.

SUMMARY

CSHB 63(FIN)

"An Act relating to the Council on Domestic Violence and Sexual Assault."

CSHB 63 was REPORTED out of Committee with a "do pass" recommendation and with two previously published zero fiscal notes: FN1 (COR) and FN3 (DHS); and one previously published fiscal impact note: FN2 (DPS).

HB 78

"An Act extending the termination date of the Board of Public Accountancy; and providing for an effective date."

HB 78 was REPORTED out of Committee with a "do pass" recommendation and with previously published fiscal impact note: FN1 (CED).

CSHB 113(FIN) am

"An Act making supplemental appropriations, capital appropriations, and other appropriations; amending appropriations; making appropriations to capitalize funds; and providing for an effective date."

CSHB 113(FIN) was heard and HELD in Committee for further consideration.

CSHB 121(FIN)

"An Act relating to and authorizing certain municipalities to provide a property tax credit for an improvement that aids in improving air quality."

CSHB 121 was heard and HELD in Committee for further consideration.

CSHB 123(FIN) am

"An Act relating to the membership and voting privileges of members of the Statewide Suicide Prevention Council; extending the termination date of the Statewide Suicide Prevention Council; and providing for an effective date."

CSHB 123 was REPORTED out of Committee with a "do pass" recommendation and with two previously published fiscal impact notes from the Department of Health and Social Services: FN1 and FN2.

CSHB 221(L&C)

"An Act relating to the state's participation in the federal Nationwide Mortgage Licensing System and Registry, and to mortgage lending regulation and licensing; and providing for an effective date."

CSHB 221 (L&C) was REPORTED out of Committee with a "do pass" recommendation and with a previously published fiscal note: FN1 (CED).

[9:25:38 AM](#)

#hb221

CS FOR HOUSE BILL NO. 221(L&C)

"An Act relating to the state's participation in the federal Nationwide Mortgage Licensing System and

Registry, and to mortgage lending regulation and licensing; and providing for an effective date."

[9:26:36 AM](#)

Co-Chair Stedman noted the Department of Commerce, Community and Economic Development's fiscal note for \$98 thousand in program receipts.

Co-Chair Hoffman MOVED to report CSHB 221 out of Committee with individual recommendations and the accompanying fiscal note. There being NO OBJECTION, it was so ordered.

CSHB 221 (L&C) was REPORTED out of Committee with a "do pass" recommendation and with a previously published fiscal note: FN1 (CED).

#hb78

HOUSE BILL NO. 78

"An Act extending the termination date of the Board of Public Accountancy; and providing for an effective date."

[9:27:59 AM](#)

KONRAD JACKSON, STAFF, REPRESENTATIVE KURT OLSON, reviewed the legislation. He stated that the Legislative Audit Division reviewed the actions of the board and recommended a four year extension. In the future, some of the board's services may be outsourced and changes to the board's structure might be instituted. The board may also pursue new statutes and regulations. Therefore, a shorter extension period was chosen.

Co-Chair Stedman noted the Department of Commerce, Community and Economic Development's fiscal note for \$99.4 thousand.

[9:29:18 AM](#) AT EASE

[9:29:46 AM](#) RECONVENED

Senator Olson asked for a description of the service agreement or to briefly explain what services might be outsourced.

PAT DAVIDSON, LEGISLATIVE AUDITOR, LEGISLATIVE AUDIT DIVISION, LEGISLATIVE AFFAIRS AGENCY, responded that in order to achieve efficiencies the board is discussing delegating services such as: management of the CPA exam; evaluation of applicants; and continuing education services. Senator Olson asked if investigations concerning criminal activity or malpractice will be outsourced. Ms. Davidson explained that investigations are a function of the

division. The board evaluates the results of the investigations and that function will not be outsourced.

[9:32:27 AM](#)

Senator Thomas cited correspondence from the Department of Commerce, Community and Economic Development and the Department of Administration regarding the board's vacant positions. He asked if the vacancies have been filled. Ms. Davidson answered that she did not know the current status of the board positions.

Senator Thomas noted the division's second recommendation to reduce professional licensing fees. He asked if the fees will be reduced since the board is carrying a cumulative balance. Ms. Davidson responded that she did not know the board's response to the recommendation.

Co-Chair Hoffman MOVED to report HB 78 out of Committee with individual recommendations and the accompanying fiscal note. There being NO OBJECTION, it was so ordered.

HB 78 was REPORTED out of Committee with a "do pass" recommendation and with previously published fiscal impact note from the Department of Commerce, Community and Economic Development.

#hb63

CS FOR HOUSE BILL NO. 63(FIN)

"An Act relating to the Council on Domestic Violence and Sexual Assault."

[9:34:52 AM](#)

Co-Chair Hoffman MOVED to ADOPT work draft LS0138\M
Co-Chair Stedman OBJECTED.

CRYSTAL KOENEMAN, STAFF, REPRESENTATIVE FAIRCLOUGH, explained the changes to the legislation reflected in the work draft. She pointed out that the legislation as transmitted to the Senate, specified in Section 4, that the executive director of the council will be an exempt position while the director's staff will be part of the classified service. The Senate State Affairs Committee changed Section 4, to include the executive director and staff in exempt service. Version M changes the section back to the House version.

Co-Chair Stedman WITHDREW his OBJECTION

Ms. Koeneman reviewed the legislation. She explained that the legislation changed the composition of the council. The bill increases the public members from three to four. One of

the public members must be from a rural area. The commissioner of the Department of Corrections or a designee from the department will be added to the board. The member's term of office is changed from two to three years in order to preside over a complete budget cycle. The legislation allows but does not require the governor to consult with the Alaska Network on Domestic Violence and Sexual Assault when appointing public members. Employees of the state of Alaska may not be members of the council. The legislation expanded the definition of "rural area" to include a population between 3500 and 7500. The requirement for a quorum is now five members. Finally, new members will be appointed within thirty days of the effective date of the legislation.

[9:39:37 AM](#)

Co-Chair Stedman pointed out the three fiscal notes: the zero fiscal notes from the Department of Corrections and the Department of Health and Social Services, and the fiscal note for the Department of Public Safety in the amount of \$7.9 thousand.

Co-Chair Hoffman MOVED to report CSHB 63 out of Committee with individual recommendations and the accompanying fiscal notes. There being NO OBJECTION, it was so ordered.

CSHB 63 was REPORTED out of Committee with a "do pass" recommendation and with two previously zero fiscal notes and one previously published fiscal impact note from the Department of Public Safety.

CSHB 63 was REPORTED out of Committee with a "do pass" recommendation and with two previously published zero fiscal notes: FN1 (COR) and FN3 (DHS); and one previously published fiscal impact note: FN2 (DPS).

#hb123

CS FOR HOUSE BILL NO. 123(FIN) am

"An Act relating to the membership and voting privileges of members of the Statewide Suicide Prevention Council; extending the termination date of the Statewide Suicide Prevention Council; and providing for an effective date."

[9:41:03 AM](#)

Co-Chair Steadman spoke to the two fiscal notes for the Department of Health and Social Services: FN1 in the amount of \$46.3 thousand to fund a half position, and FN2 in the amount of \$82.8 thousand for travel and supply costs.

Representative Fairclough explained that the legislation extends the Suicide Prevention Council. She added that

Alaska has the worst rates of suicide in the nation. Rural Alaskans and Alaska Natives have a disproportionately high suicide rate. The council is working on a strategic plan for suicide prevention in the state.

[9:43:33 AM](#)

Senator Olson questioned the effectiveness of the council. Representative Fairclough answered that the council has implemented strategies of public outreach to help people identify at risk populations. She felt that the council's operation was dysfunctional solely because of the structure. The council contained four voting members from the legislature, which created a quorum challenge. The council was unable to take decisive action when necessary. She stated that Senator Davis helped implement changes to make the legislative members non-voting so a quorum can be reached and solutions can be advanced.

Co-Chair Hoffman MOVED to report CSHB 123 out of Committee with individual recommendations and the accompanying fiscal note. There being NO OBJECTION, it was so ordered.

CSHB 123 was REPORTED out of Committee with a "do pass" recommendation and with two previously published fiscal impact notes from the Department of Health and Social Services: FN1 and FN2.

[9:43:55 AM](#)RECESSED

[3:19:38 PM](#)RECONVENED

#

ADJOURNMENT

The meeting was adjourned at 3:19 PM.