

**ALASKA STATE LEGISLATURE**  
**SENATE STATE AFFAIRS STANDING COMMITTEE**

April 7, 2009

9:04 a.m.

**MEMBERS PRESENT**

Senator Linda Menard, Chair  
Senator Kevin Meyer, Vice Chair  
Senator Hollis French  
Senator Albert Kookesh  
Senator Joe Paskvan

**MEMBERS ABSENT**

All members present

**COMMITTEE CALENDAR**

SENATE BILL NO. 2

"An Act relating to the establishment and maintenance of an Internet website providing public finance information, and identifying the information to be available on the Internet website."

MOVED SB 2 OUT OF COMMITTEE

SENATE BILL NO. 171

"An Act relating to the permanent fund dividend of an otherwise qualified individual who dies during the qualifying year; and providing for an effective date."

MOVED CSSB 171(STA) OUT OF COMMITTEE

SENATE JOINT RESOLUTION NO. 17

Designating 2009 as the Year of the Noncommissioned Officer Corps of the United States Army.

MOVED SJR 17 OUT OF COMMITTEE

SENATE JOINT RESOLUTION NO. 18

Urging the United States Congress to pass the Honor the Written Intent of our Soldier Heroes Act.

MOVED CSSJR 18(STA) OUT OF COMMITTEE

CS FOR HOUSE JOINT RESOLUTION NO. 10(HSS)

Urging the United States Congress to improve health care for veterans.

PENDING REFERRAL

**PREVIOUS COMMITTEE ACTION**

BILL: SB 2

SHORT TITLE: PUBLIC FINANCE WEBSITE

SPONSOR(S): SENATOR(S) WIELECHOWSKI

01/21/09 (S) PREFILE RELEASED 1/9/09  
01/21/09 (S) READ THE FIRST TIME - REFERRALS  
01/21/09 (S) STA, FIN  
04/07/09 (S) STA AT 9:00 AM BELTZ 211

BILL: SB 171

SHORT TITLE: PERMANENT FUND DIVIDEND FOR DECEASED

SPONSOR(S): SENATOR(S) MEYER

03/27/09 (S) READ THE FIRST TIME - REFERRALS  
03/27/09 (S) STA, FIN  
04/07/09 (S) STA AT 9:00 AM BELTZ 211

BILL: SJR 17

SHORT TITLE: DESIGNATING 2009 AS THE YEAR OF ARMY NCO

SPONSOR(S): SENATOR(S) HUGGINS

03/27/09 (S) READ THE FIRST TIME - REFERRALS  
03/27/09 (S) STA  
04/07/09 (S) STA AT 9:00 AM BELTZ 211

BILL: SJR 18

SHORT TITLE: SUPPORT SOLDIERS' BURIAL DESIGNATIONS

SPONSOR(S): SENATOR(S) HUGGINS

04/01/09 (S) READ THE FIRST TIME - REFERRALS  
04/01/09 (S) STA  
04/07/09 (S) STA AT 9:00 AM BELTZ 211

**WITNESS REGISTER**

SHELLY MORGAN, Staff  
to Senator Bill Wielechowski  
Alaska State Legislature  
Juneau, AK

**POSITION STATEMENT:** Presented SB 2 on behalf of the sponsor.

SCOT AREHART, Data Processing Manager  
Division of Finance  
Department of Administration (DOA)  
Juneau, AK

**POSITION STATEMENT:** Answered questions regarding SB 2.

MEADE TREADWELL, Senior Fellow  
Institute of the North  
Anchorage AK

**POSITION STATEMENT:** Spoke in support of SB 2.

SANDRA FABRY, Government Affairs Manager  
Americans for Tax Reform  
Washington, DC

**POSITION STATEMENT:** Spoke in support of SB 2.

CHRISTINE MARASIGAN, Staff  
to Senator Kevin Meyer  
Alaska State Legislature  
Juneau, AK

**POSITION STATEMENT:** Presented SB 171 on behalf of the sponsor.

DEBORAH BITNEY, Director  
Division of Permanent Fund Dividend  
Department of Revenue  
Juneau, AK

**POSITION STATEMENT:** Answered questions regarding SB 171.

KATY NEHER, representing herself  
Anchorage, AK

**POSITION STATEMENT:** Spoke in support of SB 171.

JOSH TEMPEL, Staff  
Veterans Caucus  
Alaska State Legislature  
Juneau, AK

**POSITION STATEMENT:** Presented SJR 17.

MAJOR WILLIAMS, Communications Officer  
U. S. Army Alaska Command

**POSITION STATEMENT:** Spoke in support of SJR 17.

NICHOLAS HENDERSON  
Army Veteran representing himself

**POSITION STATEMENT:** Spoke in support of SJR 17.

**ACTION NARRATIVE**

[9:04:38 AM](#)

**CHAIR LINDA MENARD** called the Senate State Affairs Standing Committee meeting to order at 9:04 a.m. Senators Meyer, Paskvan, Kookesh, French, and Menard were present at the call to order.

**B 2-PUBLIC FINANCE WEBSITE**

9:05:07 AM

CHAIR MENARD announced the consideration of SB 2.

SHELLY MORGAN, Staff to Senator Bill Wielechowski, Alaska State Legislature, said SB 2 is identical to SB 201 of 2008, which passed unanimously through the Senate last year. The intent is to mandate the creation of a free searchable website to provide Alaskans with easy access to detailed information on state spending. It will foster better understanding of state operations and insure that funding goes to the state's most important needs. Similar websites are being created across the country. The Federal Funding Accountability and Transparency Act become law in 2006 and calls for a searchable website for federal contracts and grants of more than \$25,000. Since 2007, 13 states have passed legislation, 8 have passed executive orders, and dozens of others have launched state spending websites. A national consensus is emerging that taxpayers should be able to track government spending, and it is advocated by both ends of the political spectrum. Accountability and good decision making requires an informed public. Alaska has a checkbook online that is a great step in providing transparency. It has about 90 hits per day. Most come from new visitors. SB 2 will provide for more of a big picture for the layperson. Alaskans will be able to track trends over a ten-year span. Annual revenue and expenditures will be summarized by source, function, department, and account. Individuals can then pull up more detailed information. Revenues will be updated monthly to include proceeds from taxes, agency earnings, interest, lease payments, gifts, donations, and federal receipts. Expenditures will include name, location, and amount dispersed. SB 2 also requires an accounting of the total number of state employees, which can be done with a simple bar chart. The website will be presented in a clear manner that every Alaskan can understand. The fiscal note is zero. It can be done by existing staff. Alaskans have a right to see how their dollars are spent.

9:10:48 AM

CHAIR MENARD asked if the administration is supportive.

SCOT AREHART, Data Processing Manager, Division of Finance, Department of Administration (DOA), said DOA supports the bill.

SENATOR FRENCH asked if the checkbook is now online and what the bill will add.

MR. AREHART said the majority of what is covered in this bill is already online. The bill will add full-time employees. "Currently we're underway in a project to get all of AKPAY [state payroll system] data into the ALDER [Alaska Data Enterprise Reporting] warehouse. The ALDER data warehouse feeds the current financial portion that's covered in this bill."

9:12:33 AM

MS. MORGAN said this bill will go into statute so future governors will have to do the same thing.

CHAIR MENARD said this is a lofty goal, and she can't imagine a zero fiscal note. Someone has to do the work, and there is a hiring freeze in Alaska.

SENATOR MEYER asked if additional security is required to protect the website from hackers.

MR. AREHART said no; no confidential information will appear. All of it is fed through the data warehouse.

9:14:35 AM

MEADE TREADWELL, Senior Fellow, Institute of the North, Anchorage, said he is a member of Alaskans for Tax Reform. He has phoned leaders from other states. He applauds the administration for putting the checkbook online and Senator Wielechowski for sponsoring SB 2. This is good government, and he is not worried about the costs. Improvements will be called for by the public. He recommended a process for evolving the website, like an annual hearing by the legislature. When a governor submits a budget, it would be useful to have it in the same kind of format. The bill is important.

9:17:00 AM

SANDRA FABRY, Government Affairs Manager, Americans for Tax Reform, Washington DC, said she has submitted a letter to the committee. She appreciates the efforts of the governor and the DOA. It is important to codify the language. It is a buzzword now, but by having it in statute will make sure that taxpayers will have this tool to hold government more accountable in the future. Many states are putting it into statute. Alaska already has the online checkbook, so costs can be kept to a minimum. The more complex the website, the more likely it will contribute to saving money. States are saving millions of dollars by having

this inventory at their disposal. Texas has already saved \$8.7 million in the first year. South Carolina is getting fewer [costly] freedom-of-information requests.

MS. FABRY recommended providing a link to the actual expenditure document under which an expense is made. Alaska was one of the first states to increase transparency in government spending, but other states are quickly catching up. By passing SB 2, Alaska will continue to be at the forefront.

[9:20:29 AM](#)

SENATOR FRENCH moved to report SB 2 from committee with individual recommendations and attached fiscal note(s). There being no objection, the bill moved out of committee.

[9:21:08 AM](#)

The committee took a brief at-ease.

**B 171-PERMANENT FUND DIVIDEND FOR DECEASED**

[9:21:44 AM](#)

CHAIR MENARD announced the consideration of SB 171.

SENATOR MEYER moved to adopt the committee substitute (CS) for SB 171, labeled 26-LS0804\R, as the working document. Hearing no objection, Version R was before the committee.

CHRISTINE MARASIGAN, Staff to Senator Kevin Meyer, Alaska State Legislature, said SB 171 would allow the issuance of Alaska's permanent fund dividend (PFD) to an individual who dies during the qualifying year. The check would go to the personal representative claiming the personal property of the deceased. The applicant would have to meet all qualifying requirements. When SB 171 was first drafted it exempted the requirement that the applicant be a state resident the entire qualifying year. She noted Sections 1 and 2 of the eligibility requirements. The individual wouldn't be applying to the department; it would be the successor or estate. The deceased is also no longer a resident of the state on the date of the application. The estate or the successors would actually be filing the application. This is taken care of in the CS on line 13 of page 1.

[9:25:49 AM](#)

SENATOR MEYER said this came about because two or three constituents have asked him about it. People who have lived in the state for the required 180 days and passed away wouldn't get the check. The loved ones had to pay the funeral costs and could

have used the PFD. He never had a good reason why they couldn't have the PFD. He has been working with Debbie Bitney at the PFD division and he appreciates her helping make this bill happen. This is important to those who have lost a close person. "This is their final PFD."

CHAIR MENARD said she falls into this category. She might need to declare a conflict. The expenses pile up.

SENATOR KOOKESH asked when this will become effective. The deadline passed in March.

SENATOR MEYER said yes, but the effective date can be worked on.

[9:28:38 AM](#)

DEBORAH BITNEY, Director, Permanent Fund Dividend Division, said, "Currently, if a person passes away during the application period, that person is already able to apply for the dividend that would be paid in that year." SB 171 would look back to about the middle of the qualifying year. For a 2009 dividend, for example, it would apply to anyone who was a resident by all other accounts and dies after the 180-day mark in 2008, "if I'm correct."

[9:29:53 AM](#)

SENATOR MEYER said the 2009 PFD is a look-back to 2008. "Were they in Alaska for 180 days? And if they weren't in Alaska, were they excused for military reasons or medical reasons, etc?"

CHAIR MENARD said her husband passed away on March 3, so even if SB 171 doesn't pass, he has been taken care of.

MS. BITNEY said that is correct.

SENATOR FRENCH said this bill has sympathetic appeal for Alaskans who pass away, but he has some concern "that there will be some unsympathetic individuals who will qualify for this as well." He suggested those who die of a heroin overdose or in a shoot-out with the police, and their family will say, "he was never convicted of anything; he's qualified ... give us his dividend." That should be kept in mind.

KATY NEHER, Anchorage, said her daughter was 16 when she was killed in a car accident in 1999, and she was not eligible for her last PFD. The state invalidated the last 10 months of her life, "and she will not let me rest until we fix this." For nine years Ms. Neher has been coming to Juneau trying to "get this

fixed." Last summer she lost a brother, and two weeks ago her mother, who had lived in Alaska since the 1950s, died. Alaska needs to give the PFD to the folks that deserve it.

[9:33:04 AM](#)

SENATOR MEYER asked if the CS will change the fiscal note.

MS. BITNEY said the original fiscal note assumed that all people who died in a year would apply and qualify for a dividend. The fiscal note can be revised "to estimate about half of the 3,500 people who do die in the state each year will qualify." The note will be reduced by about \$53,000, which includes one position in the division to qualify these additional eligibility cases.

[9:34:34 AM](#)

CHAIR MENARD asked if the application will change.

MS. BITNEY said she doesn't know if this information needs to be included on the application. It will likely be on the website.

SENATOR KOOKESH responded to Senator French's concern. A person dying of a heroin overdose or police shootout would still have family members who are left and who may need the PFD money for closure. The person dying of a heroin overdose will not benefit from this bill. Senator French's example pertains to the wrong group of people - it's the people who are left.

CHAIR MENARD said the money does not need to be used in a certain way. "We're hoping they'll use it for burials."

SENATOR MEYER said SB 171 is meant for the living to help offset funeral or other costs. Even if the person dies in a gang shootout, that should not prohibit the family members from getting the PFD.

[9:37:07 AM](#)

SENATOR FRENCH said it is a "side road." The vast majority of people will be good Alaskans.

SENATOR KOOKESH moved to report CS for SB 171, labeled 26-LS0804\R, from committee with individual recommendations and attached fiscal note(s). Hearing no objections, CSSB 171(STA) moved out of committee.

[9:38:52 AM](#)

The committee took a brief at-ease.



**JR 17-DESIGNATING 2009 AS THE YEAR OF ARMY NCO**

[9:40:04 AM](#)

CHAIR MENARD announced the consideration of SJR 17.

JOSH TEMPEL, Staff, Veterans Caucus, Alaska State Legislature, said SJR 17 enacts a request from the United States Army Alaska Command to declare 2009 the year of the noncommissioned officer (NCO) corps of the United States Army to honor more than 200 years of service. NCOs are enlisted soldiers from corporal through sergeant major. It is a broad spectrum of people. NCOs serve as technical experts, trainers, and guardians of the army standards. The NCO corps is the backbone of the army and occupies a position of respect and leadership. This declaration comes at a time when the NCOs are invaluable leading the charge on the battlefields of Iraq, Afghanistan, the Philippines, and other locations around the world. The army requested this legislation, and it is a good way for Alaska to show its support for the army in Alaska.

SENATOR KOOKESH asked if this is happening in other states.

MR. TEMPEL said Hawaii was the first state to pass it. There are other states, too.

[9:43:12 AM](#)

MAJOR WILLIAMS, Communications Officer, U.S. Army Alaska Command, said he doesn't know how many states have done proclamations, but at least one command from every state was asked to make this request. He is a former NCO, and he has two NCO combat cameramen that work for him. Without the NCOs there wouldn't be an army or it wouldn't be effective. The army wouldn't be able to get things done. NCOs "provide the direct line leadership that is required. If you're kicking in a door in Iraq to search a house, there's a non-com in charge." Every line in the marching band has an NCO in charge. It goes all the way down to the corporal ranks. He wants this to reiterate the relationship between the community and the army and show public support for the NCO who typically doesn't get recognized. Everyone wants the general, but without these people "we wouldn't have a nation that's free ... we wouldn't have the greatest military in the world." NCOs provide the small group leadership that is necessary to be effective.

[9:45:52 AM](#)

NICHOLAS HENDERSON, Army Veteran, said he was at the bottom of the NCO spectrum as an E-4 team leader with direct supervision

over 4 soldiers, 8 vehicles, 14 weapon systems, and all their training and disciplinary action. He has great respect for the NCOs over him; they have been mentors. His unit ran over 300 combat missions in Iraq from 2005 to 2006, and that included patrols and coordinated raids with rangers. Training is done by the NCOs; they have a wealth of knowledge. "If [they] weren't as functional as they are, things just wouldn't go the way they did." He spent a year training Iraqi police and military and U.S. soldiers in operations, vehicle maintenance, first aid, communication, and using equipment.

SENATOR FRENCH thanked the witnesses for their service.

SENATOR FRENCH moved to report SJR 17 from committee with individual recommendations and attached fiscal note(s). There being no objection, the resolution moved out of committee.

#### **JR 18-SUPPORT SOLDIERS' BURIAL DESIGNATIONS**

[9:48:47 AM](#)

CHAIR MENARD announced the consideration of SJR 18.

JOSH TEMPEL, Staff to the Veterans Caucus, said SJR 18 expresses Alaska's support for HR 1633, a congressional bill entitled "Honor the Wish Act." This bill will allow troops to designate people other than immediate family members to oversee their disposition if they are killed in the line of duty. Current law prohibits members of armed forces from authorizing nonrelatives to make their funeral arrangements. Members fill out a DD-93 form for this purpose. It only allows them to designate a spouse or relative. Some service members need someone else to bear responsibility, but they are prohibited to do that by federal law. HR 1633 will allow service men and women to designate whoever they want. Passing SJR 18 is a meaningful way to support the military. Some troops don't have good parents.

[9:50:54 AM](#)

SENATOR KOOKESH asked if the form can be changed once someone fills it out.

MR. TEMPEL said every time a person deploys, he or she fills out that form. It has a lot of money attached to it. A person gets \$100,000 to deal with funeral expenses. That money should go to the person the member wants it to go to.

SENATOR KOOKESH asked if Congress supports this.

NICK HENDERSON, Army Veteran, said a Tennessee representative is the sponsor of HR 1633, and there are several cosponsors.

SENATOR FRENCH said there are some families who are not ideal, and a soldier should be able to make this decision.

[9:53:19 AM](#)

MR. HENDERSON said part of the sponsor statement is personal to him. He met Christopher Fox in airborne school, but neither made it through the school. They were assigned to the fourth infantry division in Colorado and served together Iraq. Specialist Fox redeployed after they got back. Last September he was killed in action in Iraq. This is the source of HR 1633. Fox's mother had died and he didn't really know his father. His step family was "less than desirable." Specialist Fox had specified a teacher who raised him like a mother, and she was not recognized as a legal recipient. The intent of SJR 18 is to rectify this.

SENATOR MEYER noted that previous resolutions went to Congress, the president, and the governor. He asked if Mr. Tempel would like to use the same distribution list.

MR. TEMPEL said the resolution can be amended.

[9:56:05 AM](#)

SENATOR MEYER moved conceptual Amendment 1 to send SJR 18 to the same list of people in SJR 17. Hearing no objection, Amendment 1 was adopted.

SENATOR MEYER moved SJR 18, as amended, with attached fiscal notes from committee with individual recommendations. Hearing no objections, CSSJR 18(STA) moved out of committee.

[9:57:54 AM](#)

The meeting was adjourned at 9:57 a.m.