

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

March 6, 2012

8:07 a.m.

**MEMBERS PRESENT**

Representative Wes Keller, Vice Chair  
Representative Paul Seaton  
Representative Peggy Wilson  
Representative Pete Petersen

**MEMBERS ABSENT**

Representative Bob Lynn, Chair  
Representative Max Gruenberg  
Representative Kyle Johansen

**COMMITTEE CALENDAR**

COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 89(JUD)

"An Act clarifying that a legislator or legislative employee is allowed to accept certain refrain from disclosure under the Legislative Ethics Act; relating to the applicability of compassionate gifts; allowing legislators and legislative employees who are representing certain provisions of the Legislative Ethics Act to certain legislative employees, persons in an administrative hearing to contact hearing officers and attempt to influence volunteers, and interns; establishing a seat for an alternate public member on the Select the outcome of the hearing if they are professionals licensed in the state, and allowing Committee on Legislative Ethics; clarifying the requirements related to participation by legislators and legislative employees who are not professionals licensed in the state to alternate public members and alternate legislative members in the proceedings of the contact hearing officers for the purpose of influencing the outcome of the hearing in committee; amending the definition of 'legislative employee' in the Legislative Ethics certain instances; requiring the Select Committee on Legislative Ethics to maintain a Act; and repealing a procedure for appointment of alternate legislative members."

- MOVED HCS CSSB 89(STA) OUT OF COMMITTEE

HOUSE JOINT RESOLUTION NO. 38

Requesting the United States Congress to call a Constitutional Convention to propose an amendment to the Constitution of the

United States requiring approval of a majority of state legislatures to increase the federal debt limit.

- HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: SB 89

SHORT TITLE: LEGISLATIVE ETHICS ACT

SPONSOR(s): SENATOR(s) COGHILL

02/16/11	(S)	READ THE FIRST TIME - REFERRALS
02/16/11	(S)	STA, JUD
03/15/11	(S)	STA AT 9:00 AM BUTROVICH 205
03/15/11	(S)	Heard & Held
03/15/11	(S)	MINUTE(STA)
03/31/11	(S)	STA AT 9:00 AM BUTROVICH 205
03/31/11	(S)	Moved CSSB 89(STA) Out of Committee
03/31/11	(S)	MINUTE(STA)
04/01/11	(S)	STA RPT CS 1DP 4NR NEW TITLE
04/01/11	(S)	DP: MEYER
04/01/11	(S)	NR: WIELECHOWSKI, KOOKESH, PASKVAN, GIESSEL
04/11/11	(S)	JUD AT 1:30 PM BELTZ 105 (TSBldg)
04/11/11	(S)	Scheduled But Not Heard
04/13/11	(S)	JUD AT 1:30 PM BELTZ 105 (TSBldg)
04/13/11	(S)	Scheduled But Not Heard
04/15/11	(S)	JUD AT 1:30 PM BUTROVICH 205
04/15/11	(S)	Heard & Held
04/15/11	(S)	MINUTE(JUD)
01/18/12	(S)	JUD AT 1:30 PM BELTZ 105 (TSBldg)
01/18/12	(S)	Heard & Held
01/18/12	(S)	MINUTE(JUD)
01/27/12	(S)	JUD AT 1:30 PM BELTZ 105 (TSBldg)
01/27/12	(S)	Moved CSSB 89(JUD) Out of Committee
01/27/12	(S)	MINUTE(JUD)
01/30/12	(S)	JUD RPT CS 3DP NEW TITLE
01/30/12	(S)	DP: FRENCH, COGHILL, PASKVAN
02/08/12	(S)	TRANSMITTED TO (H)
02/08/12	(S)	VERSION: CSSB 89(JUD)
02/09/12	(H)	STA AT 8:00 AM CAPITOL 106
02/09/12	(H)	<Bill Hearing Rescheduled to 02/16/12>
02/10/12	(H)	READ THE FIRST TIME - REFERRALS
02/10/12	(H)	STA, JUD
02/16/12	(H)	STA AT 8:00 AM CAPITOL 106
02/16/12	(H)	Heard & Held
02/16/12	(H)	MINUTE(STA)

03/06/12 (H) STA AT 8:00 AM CAPITOL 106

BILL: HJR 38

SHORT TITLE: US CONST AM: FEDERAL DEBT LIMIT

SPONSOR(S): REPRESENTATIVE(S) KELLER

02/20/12 (H) READ THE FIRST TIME - REFERRALS

02/20/12 (H) STA

03/06/12 (H) STA AT 8:00 AM CAPITOL 106

#### **WITNESS REGISTER**

RYNNIEVA MOSS, Staff  
Senator John Coghill  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Presented SB 89 on behalf of Senator Coghill, sponsor.

JOYCE ANDERSON, Administrator  
Select Committee on Legislative Ethics  
Anchorage, Alaska

**POSITION STATEMENT:** Offered information regarding a proposed amendment during the hearing on SB 89.

JIM POUND, Staff  
Representative Wes Keller  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Answered questions during the hearing on HJR 38, on behalf of Representative Keller, sponsor.

SHEILA FINKENBINDER  
Juneau, Alaska

**POSITION STATEMENT:** Testified on behalf of herself during the hearing on HJR 38.

#### **ACTION NARRATIVE**

8:07:17 AM

**VICE CHAIR WES KELLER** called the House State Affairs Standing Committee meeting to order at 8:07 a.m. Representatives Seaton, P. Wilson, Petersen, and Keller were present at the call to order.

#### **SB 89-LEGISLATIVE ETHICS ACT**

8:07:56 AM

VICE CHAIR KELLER announced that the first order of business was CS FOR SENATE BILL NO. 89(JUD), "An Act clarifying that a legislator or legislative employee is allowed to accept certain compassionate gifts; allowing legislators and legislative employees who are representing persons in an administrative hearing to contact hearing officers and attempt to influence the outcome of the hearing if they are professionals licensed in the state, and allowing legislators and legislative employees who are not professionals licensed in the state to contact hearing officers for the purpose of influencing the outcome of the hearing in certain instances; requiring the Select Committee on Legislative Ethics to maintain a public record of certain ethics disclosures made by legislators and legislative employees; prohibiting a public member of the Select Committee on Legislative Ethics from disclosing confidential information without authorization; clarifying the ethics disclosure requirements for tickets to or gifts in connection with charity events; amending disclosure deadlines under the Legislative Ethics Act; relating to requests to refrain from disclosure under the Legislative Ethics Act; relating to the applicability of certain provisions of the Legislative Ethics Act to certain legislative employees, volunteers, and interns; establishing a seat for an alternate public member on the Select Committee on Legislative Ethics; clarifying the requirements related to participation by alternate public members and alternate legislative members in the proceedings of the committee; amending the definition of 'legislative employee' in the Legislative Ethics Act; and repealing a procedure for appointment of alternate legislative members."

8:08:17 AM

RYNNIEVA MOSS, Staff, Senator John Coghill, Alaska State Legislature, presented SB 89 on behalf of Senator Coghill, sponsor.

8:10:03 AM

MS. MOSS directed attention to the sectional analysis, which read as follows [original punctuation provided]:

Sec. 1. Replaces "lawful gratuity" with "gift" to make section of law consistent with the usage of "gift".

Sec. 2. Bright line for legislators or staff being actively involved in constituent problems with the State. Once the issue is assigned to an administrative hearing the involvement of the legislative office ceases. Exceptions are included for lawyers and provision for inadvertent exparte contact.

Sec. 3. Eliminates requirement of committee to compile lists of financial disclosure statements. They must only maintain public records and forward them to chief clerk and senate secretary.

Sec. 4. Adds public members to statute prohibiting disclosure of confidential information.

Sec. 5. Clarifies that a ticket to a charity event from a lobbyist, or gifts received because of the ticket from a lobbyist cannot exceed \$250.

Sec. 6. Further describes "a contribution to a charity event" by clarifying it could be a ticket to a charity event or a gift in connection with a charity event.

Sec. 7. Extend the reporting period for gifts of travel for the purpose of obtaining information on legislative matters and disclosure of gifts from charitable events from 30 days to 60 days.

Sec. 8. Allows for exceptions from disclosure under the legislative ethics law if it would be in violation of the state or federal constitution or state or federal law. The State Affairs Committee added language that includes exceptions for disclosures for a rule, adopted formally by a trade or profession, that state or federal law requires the person to follow. A written request with justification must be submitted to the committee.

Sec. 9. Requires anyone who is a volunteer or educational trainee for more than 30 days to take the ethics training. The 30 day guideline was added in State Affairs.

Sec. 10. Adds cite for new section on Alternate Members to statute describing the committee, its structure and its duties.

Sec. 11. Adds cite for new section on Alternate Members to statute describing the committee, its structure and its duties.

Sec. 12. This is a new section describing the process for appointing alternates. The section adds a new provision that provides for the Chief Justice to appoint an alternate public member.

Sec. 13. Adds legislative volunteers and educational trainees who are in that capacity for more than 30 days to the statute requiring the Legislative ethics course. The 30 day guideline was added in State Affairs.

Sec. 14. Redefines legislative employee.

Sec. 15. Repeals old statute describing the process for appointing alternates.

[8:16:08 AM](#)

MS. MOSS, in response to Representative P. Wilson, offered clarification regarding Section 8.

[8:17:17 AM](#)

JOYCE ANDERSON, Administrator, Select Committee on Legislative Ethics, referred to a possible amendment to AS 24.60.080(h)(2), and expressed her hope that the proposed legislation would pass on the House floor.

[8:18:52 AM](#)

VICE CHAIR KELLER closed public testimony.

[8:19:05 AM](#)

REPRESENTATIVE SEATON moved to adopt Amendment 1, labeled 27-LS0452\R.2, Wayne, 3/2/12, which read as follows [original punctuation provided]:

Page 5, following line 26:

Insert a new bill section read:

"\* **Sec. 3.** AS 24.60.030 is amended by adding a new subsection to read:

(j) In this section, "administrative hearing" means a quasi-judicial hearing before an agency; "administrative hearing" does not include an informal conference or review held by an agency before a final decision is issued or a rate-making proceeding or other nonadjudicative public hearing."

Renumber the following bill sections accordingly.

VICE CHAIR KELLER objected for the purpose of discussion.

REPRESENTATIVE SEATON stated that the purpose of Amendment 1 is to provide the definition of administrative hearing to [AS 24.60.030].

VICE CHAIR KELLER removed his objection. There being no further objection, Amendment 1 was adopted.

[8:20:16 AM](#)

REPRESENTATIVE SEATON moved to adopt Amendment 2, labeled 27-LS0452\R.3, Wayne, 3/2/12, which read as follows [original punctuation provided]:

Page 10, line 24, through page 11, line 1:

Delete all material and insert:

"\* **Sec. 9.** AS 24.60.112 is repealed and reenacted to read:

**Sec. 24.60.112. Applicability to legislative interns.** A legislative intern shall be considered to be a legislative employee for purposes of compliance with AS 24.60.030 - 24.60.039, 24.60.060, 24.60.080, 24.60.085, 24.60.155, 24.60.158 - 24.60.170, 24.60.176, and 24.60.178. If a person believes that a legislative intern has violated the provisions of one of those sections, the person may file a complaint under AS 24.60.170. The provisions of AS 24.60.170 apply to the proceeding."

Page 13, lines 5 - 15:

Delete all material.

Renumber the following bill sections accordingly.

VICE CHAIR KELLER objected for the purpose of discussion.

REPRESENTATIVE SEATON said Amendment 2 removes volunteers and uses the term "legislative intern", and makes the above listed statutes pertain to the legislative interns. He said the intent is to clarify that ethics courses must be taken by legislators, legislative employees, and legislative interns.

[8:22:41 AM](#)

REPRESENTATIVE PETERSEN observed that the proposed Amendment 2 would also delete [Section 13], on page 13, lines 5-15, which addresses the legislative ethics course, and he asked for an explanation.

[8:23:09 AM](#)

MS. MOSS explained that [Section 13] proposed changes to [AS 24.60.155]; therefore, deleting the language would keep that statute as it currently is.

[8:23:41 AM](#)

REPRESENTATIVE SEATON said that under Amendment 2, a legislative intern would be considered to be a legislative employee and, thus, would be required to take the ethics course.

[8:24:17 AM](#)

MS. ANDERSON, in response to Vice Chair Keller, said on-line training is available for legislative employees who begin their employment mid-session, and there is a checks and balances system to ensure that is completed. In response to a follow-up question, she said there have been no cases in which someone has not completed the required ethics course.

VICE CHAIR KELLER said, "If I take on an intern, it seems to me like ... it's my responsibility to ensure this happening."

REPRESENTATIVE SEATON responded that he thinks "we" ensure accountability by seeing that the correct hiring process takes place.

[8:26:25 AM](#)

REPRESENTATIVE P. WILSON said she likes [Amendment 2] the way it is worded, because legislators are so busy that it is good to have someone else following up to ensure rules are being followed.

[8:27:00 AM](#)

VICE CHAIR KELLER removed his objection. There being no further objection, Amendment 2 was adopted.

[8:27:23 AM](#)

MS. ANDERSON directed attention to AS 24.60.080(h), which read as follows:

(h) A legislator, a legislative committee other than the Select Committee on Legislative Ethics, or a legislative agency may accept a gift of (1) volunteer services for legislative purposes so long as the person making the gift of services is not receiving compensation from another source for the services, or (2) the services of a trainee who is participating in an educational program approved by the committee if the services are used for legislative purposes. The committee shall approve training under a program of the University of Alaska and training under 29 U.S.C. 2801 - 2945 (Workforce Investment Act of 1998).

MS. ANDERSON asked the committee to consider changing the word "trainee", in paragraph (2), to "legislative employee". In response to Vice Chair Keller, she confirmed that this amendment would be conceptual and result in language added to SB 89.

[8:29:04 AM](#)

REPRESENTATIVE SEATON moved to adopt Conceptual Amendment 3, as follows:

In AS 24.60.080(h), paragraph (2):  
delete "trainee"  
insert "legislative employee"

REPRESENTATIVE PETERSEN asked if the language would be added as Section 16.

VICE CHAIR KELLER said Amendment 3 is conceptual.

[8:29:51 AM](#)

MS. MOSS offered her understanding that the language would be put in a new Section 8. She said, "It goes numerically."

[8:30:07 AM](#)

VICE CHAIR KELLER objected to Conceptual Amendment 3, and then he withdrew his objection. There being no further objection, Conceptual Amendment 3 was adopted.

[8:30:48 AM](#)

REPRESENTATIVE SEATON said he thinks the proposed bill, as amended, offers clarification.

[8:31:22 AM](#)

REPRESENTATIVE SEATON moved to report CSSB 89(JUD), as amended, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, HCS CSSB 89(STA) was reported out of the House State Affairs Standing Committee.

[8:32:02 AM](#)

The committee took an at-ease from 8:32 a.m. to 8:34 a.m.

[8:34:28 AM](#)

VICE CHAIR KELLER called the House State Affairs Standing Committee back to order.

**HJR 38-US CONST AM: FEDERAL DEBT LIMIT**

[8:34:30 AM](#)

VICE CHAIR KELLER announced that the final order of business was HOUSE JOINT RESOLUTION NO. 38, Requesting the United States Congress to call a Constitutional Convention to propose an amendment to the Constitution of the United States requiring approval of a majority of state legislatures to increase the federal debt limit.

VICE CHAIR KELLER said Article 5 of the U.S. Constitution states that the Constitution can be amended upon agreement of two-thirds of the states. He said HJR 38 is an attempt to get that agreement in terms of a debt limit increase.

[8:35:33 AM](#)

REPRESENTATIVE SEATON asked if a constitutional convention would open up all parts of the U.S. Constitution for possible amendment.

VICE CHAIR KELLER offered his understanding that it would be highly unlikely for that to happen, because the convention is called for by two-thirds of the states for a particular purpose, and the entire two-thirds would have to decide to change that purpose. He said he would gather the information that convinced him that there would be no run-away convention and share it with committee members.

[8:38:03 AM](#)

VICE CHAIR KELLER, in response to Representative P. Wilson, offered his understanding that there has never been a Constitutional Convention called to amend the U.S. Constitution since its inception. He proffered that any signs of a movement by two-thirds of the states provide motivation for U.S. Congress. In response to a follow-up question, he said a similar resolution was proposed in 1982, but it was for a balanced budget, which he said is different from a debt limit.

[8:40:41 AM](#)

REPRESENTATIVE PETERSEN talked about the debate in Washington, D.C., regarding whether to raise the debt limit, and he said one of the arguments in favor of it had to do with the country's credit rating. He said he agrees that "we" need to get debt under control, but does not know that the best way to do that is through an amendment to the U.S. Constitution, which could spin out of control.

[8:43:01 AM](#)

VICE CHAIR KELLER challenged Representative Petersen to come up with a hypothetical situation that would lead to a runaway convention. He emphasized the indebtedness of the country and the importance of engaging the states in this discussion.

[8:44:31 AM](#)

REPRESENTATIVE SEATON offered his understanding that if there was a constitutional convention, then there are two ways it could be addressed: a majority of the states or two-thirds of the states would have to ratify.

VICE CHAIR KELLER indicated that that is not correct. He deferred to Jim Pound.

[8:45:24 AM](#)

JIM POUND, Staff, Representative Wes Keller, Alaska State Legislature, on behalf of Representative Keller, sponsor, responded to Representative Seaton's comment. He offered his understanding that 38 states initially would have to pass this resolution or a resolution with similar language and submit it to U.S. Congress, who would then call a constitutional convention, which would be limited to the language in the resolution.

REPRESENTATIVE SEATON asked whether the convention could consider the topic in general or would have to adhere to the specific language in the resolutions from the states.

MR. POUND said the convention would be limited to the language submitted.

[8:46:35 AM](#)

VICE CHAIR KELLER directed attention to language on page 3, line 3, which states that a federal debt limit increase "requires approval from a majority of the legislatures of the separate states".

[8:46:54 AM](#)

REPRESENTATIVE P. WILSON asked for clarification as to the meaning of "three fourths of the several states" within a segment of Article 5 of the U.S. Constitution, which read as follows:

shall call a convention for proposing amendments, which, in either case, shall be valid to all intents and purposes, as part of this Constitution, when ratified by the legislatures of three fourths of the several states

REPRESENTATIVE P. WILSON asked if the number 37 equals three-fourths [of the states].

MR. POUND offered his understanding that it is 38. In response to follow-up questions, he said at least four state legislatures

are working on similar resolutions, and a couple passed similar resolutions last year.

[8:48:28 AM](#)

MR. POUND, in response to Representative Petersen, said the ultimate goal of HJR 38 is to ensure that U.S. Congress would have to get authority from the state legislatures to increase the debt ceiling.

[8:49:52 AM](#)

REPRESENTATIVE PETERSEN pointed out that since not all state legislatures meet at the same time of year, it may be possible that some legislatures would have to be called back into session to vote on raising the debt limit.

[8:50:33 AM](#)

MR. POUND indicated that the intent is that state legislatures would take care of the issue during their normal session times.

VICE CHAIR KELLER said the purpose of the resolution is to make it more difficult for [U.S. Congress] to raise the national debt without representing the wishes of the people of the nation in that regard. He indicated that HJR 38 would put a process in place that is not as easy as the current one.

[8:51:14 AM](#)

REPRESENTATIVE SEATON said he disagrees that the process to raise the national debt over the last year was an easy one.

VICE CHAIR KELLER interjected that he meant easy by comparison.

REPRESENTATIVE SEATON opined that the objective of HJR 38 is to say that [the Alaska State Legislature] does not trust those elected to Congress to be competent to "deal with the fiscal realities of the time." He said the debt limit has been raised two to three times in the last year, and he expressed concern that HJR 38 would put forward a situation requiring automatic default of the U.S. He stated that he does not see any contingency plan in the resolution to address an emergency situation. He said he agrees with the concept of constraining expenditures, but he indicated that there are also changes to the gross domestic product that effect revenues and, thus, the national debt. He expressed appreciation of the dialogue taking

place, but said he foresees problems under HJR 38. Representative Seaton said he would like [the committee] to consider the cascading effect on Alaska and its bond rating if there was a default by the federal government "because we failed to increase the debt limit." He said he would like to hear feedback from the Permanent Fund Division and the Department of Revenue.

[8:56:14 AM](#)

VICE CHAIR KELLER asked Representative Seaton if he was defining default as what would happen if the debt limit was not increased.

REPRESENTATIVE SEATON said he believes the consequences of states saying no would probably be default, because "we wouldn't be paying on the bonds that we had issued."

VICE CHAIR KELLER said he disagrees. He said he also disagrees with Representative Seaton's previous interpretation that HJR 38 implies that "we" have no trust in U.S. Congress. He stated that while HJR 38 is "built on what Congress has done or has failed to do" - the nation's debt is \$16 trillion - its focus is an attempt to give representation to the people of America.

[8:58:23 AM](#)

REPRESENTATIVE SEATON responded that the people directly elect their representation in Congress, so he would not want to say "we" are the only representatives of the federal budget. He continued as follows:

I understand that we're not specifying Congress in here. Congress, of course, are ... the people we elect to go deal with that problem, and so, if we're needing to take that authority away from them, it seems to be the only logical conclusion that we don't think they're capable of making those considerations the way we want to make them. But I'd also like to say that ... as I see this, it would not be the people that are going to be making the decision, but it's the legislatures of the individual states. And so, it's the states that are being represented and not the people, because the direct lineup to the people is electing the Congress then to deal with that.

[9:00:09 AM](#)

VICE CHAIR KELLER responded that that is his point exactly. He said HJR 38 would engage the power of the states in a decision that affects every citizen; it puts some weight on the sovereignty of states.

[9:01:03 AM](#)

REPRESENTATIVE P. WILSON pointed out that [the language in the second "WHEREAS" clause, beginning on page 2, line 13] calls for a balanced budget.

VICE CHAIR KELLER acknowledged that a mistake was made, and an amendment would be offered to delete that language from the joint resolution.

[9:01:59 AM](#)

REPRESENTATIVE P. WILSON, regarding Vice Chair Keller's previous statement that a runaway constitutional convention is unlikely, offered her understanding that the very reason there has yet to be a constitutional convention is that many people are reluctant to risk the possibility of adversely affecting the best Constitution in the world. She offered an example of what she called "a feeding frenzy" of amendments made to oil and gas legislation once it reached the House floor in the Alaska State Legislature.

[9:04:42 AM](#)

VICE CHAIR KELLER responded that he thinks Representative P. Wilson is envisioning that representatives from all the states would be together where they could change "this," but said he does not think that would be possible. He said, "If we pass this, and two-thirds of the states pass this, it's a very narrow channel that it goes down. And I just don't believe there's a scenario where it could be changed without convincing all two-thirds ..., and that would be a formidable task."

[9:06:02 AM](#)

REPRESENTATIVE SEATON noted that a majority of the states have already passed equal rights amendments, and he said he thinks that issue could easily be put on the agenda if a constitutional convention was held. The states that had not already ratified an equal rights amendment would not be able to block the majority of the states that already have.

VICE CHAIR KELLER said he will try to get a representative of the Goldwater Institute, an entity that has been working on this issue, to testify before the committee and talk about the consistency of wording.

[9:07:48 AM](#)

MR. POUND directed attention to language on page 3, [lines 4-7], which read as follows:

**FURTHER RESOLVED** that the amendments convention requested by this resolution be limited to the subject matter of proposing for ratification an amendment to the Constitution of the United States providing that an increase in the federal debt requires approval from a majority of the legislatures of the separate states; and be it

MR. POUND said, "This is a single-subject constitutional convention."

[9:08:36 AM](#)

MR. POUND, in response to Representative P. Wilson, said this resolution has come from the Goldwater Institute, and it will be discussed by other legislatures. He said, "What we approve here has to be approved in 37 other states with the exact same language."

VICE CHAIR KELLER, in response to Representative P. Wilson, offered an explanation as to why the aforementioned mistake was in the joint resolution. He emphasized that the most important part of the joint resolution contains the "**BE IT RESOLVED**" language.

MR. POUND added to the explanation.

REPRESENTATIVE P. WILSON asked if each state would craft its own "**WHEREAS**" clauses, but the language following "**BE IT RESOLVED**" would be the same.

VICE CHAIR KELLER stated his preference is to have "the expert" answer that question at the next hearing.

[9:11:29 AM](#)

REPRESENTATIVE P. WILSON directed attention to language on page 3, lines 12-13, which read as follows:

**FURTHER RESOLVED** that the Alaska State Legislature urges the legislatures of the other 49 states to make the same application.

REPRESENTATIVE P. WILSON ventured the language should be changed to accurately reflect that some states have already adopted similar resolutions.

MR. POUND characterized the number as a moving target.

[9:12:26 AM](#)

REPRESENTATIVE PETERSEN ventured that if U.S. Congress was backed into a corner, it might have to raise taxes extremely high in order to avoid going over the debt limit, which would throw the country into further recession.

[9:13:29 AM](#)

MR. POUND suggested that the other option is that [U.S. Congress] might cut the budget spending.

VICE CHAIR KELLER said he cannot imagine "raising taxes to make us prosperous."

REPRESENTATIVE PETERSEN said he offered that example to show that unintended consequences could happen.

[9:14:05 AM](#)

SHEILA FINKENBINDER, Juneau, Alaska, testifying on behalf of herself, said she agrees with the premise of the proposed joint resolution that the federal government should be asked to deal with the budget; however, she said she disagrees with calling for a constitutional convention. She quoted a representative of the National Conference of State Legislatures as having said, "The U.S. Constitution does not - and Congress has not - established a process by which a constitutional convention [is called] upon 'the application of the legislatures of two-thirds of the federal states'." Ms. Finkenbinder said that as a result, a number of legal issues arise, which center around these points: The identicalness of the petitions; the scope and limitations of a constitutional convention ...; the validity of any recisions of petitions by state legislatures ...; the

contemporaneousness of the petitions ...; and the proper enactment and submission of the petitions by state legislature.

MS. FINKENBINDER said that in her research, she found just as many studies showing the risk in calling for a constitutional convention as those supporting doing so. She directed attention to language of the first "**FURTHER RESOLVED**", beginning on page 2, line 30, through page 3, line 3, and asked the committee to consider changing the language to urge Congress "to create an amendment to the constitution of the United States that provides that an increase in the federal debt limit require approval from a majority of the legislatures of the separate states". She said that would still allow the states to have input and gives the message to Congress to recognize that Alaska is asking it to deal with the federal budget.

[9:17:46 AM](#)

VICE CHAIR KELLER asked Ms. Finkenbinder to keep an open mind as she sees new information. He explained, "I started where you are, but I have become convinced."

[9:18:38 AM](#)

REPRESENTATIVE SEATON offered an analogy wherein municipalities of the state would pass a resolution allowing the legislators of the state to take money out of the Capital Budget Reserve (CBR) to fund the state's budget.

[9:20:25 AM](#)

VICE CHAIR KELLER said that is a good analogy, but municipalities don't have constitutions and don't claim to be sovereign.

REPRESENTATIVE SEATON admitted that it was not a perfect analogy, but said it illustrates having someone not involved with the budget make decisions regarding it.

[HJR 38 was held over.]

[9:22:05 AM](#)

**ADJOURNMENT**

There being no further business before the committee, the House State Affairs Standing Committee meeting was adjourned at 9:22 a.m.