

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

March 22, 2012

8:07 a.m.

**MEMBERS PRESENT**

Representative Bob Lynn, Chair  
Representative Wes Keller, Vice Chair  
Representative Paul Seaton  
Representative Peggy Wilson  
Representative Max Gruenberg  
Representative Pete Petersen  
Representative Kyle Johansen

**MEMBERS ABSENT**

All members present

**COMMITTEE CALENDAR**

HOUSE CONCURRENT RESOLUTION NO. 28

Proclaiming the month of April 2012 to be Sexual Assault Awareness Month.

- MOVED HCR 28 OUT OF COMMITTEE

HOUSE BILL NO. 347

"An Act prohibiting the use of municipal funds to support or oppose an initiative proposal to circulate a petition for a ballot initiative, or to influence the outcome of an election concerning a ballot initiative, without approval by municipal voters at an election."

- MOVED HB 347 OUT OF COMMITTEE

**PREVIOUS COMMITTEE ACTION**

BILL: HCR 28

SHORT TITLE: SEXUAL ASSAULT AWARENESS MONTH

SPONSOR(S): COMMUNITY & REGIONAL AFFAIRS

03/15/12	(H)	READ THE FIRST TIME - REFERRALS
03/15/12	(H)	STA
03/22/12	(H)	STA AT 8:00 AM CAPITOL 106

BILL: HB 347

SHORT TITLE: USE OF MUNICIPAL FUNDS FOR INITIATIVES  
SPONSOR(s): OLSON

02/22/12 (H) READ THE FIRST TIME - REFERRALS  
02/22/12 (H) STA, JUD  
03/22/12 (H) STA AT 8:00 AM CAPITOL 106

**WITNESS REGISTER**

RACHEL KALLANDER, Staff  
Representative Cathy Munoz  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Presented HCR 28 on behalf of the House Community and Regional Affairs Standing Committee (HCRA), sponsor, on which Representative Munoz is chair.

ROWENA PALOMAR, Executive Director  
Advocates for Victims of Violence (AVV)  
Valdez, Alaska

**POSITION STATEMENT:** Testified in support of the designation of April as Sexual Assault Awareness Month, during the hearing on HCR 28.

SARALYN TABACHNICK, Executive Director  
Aiding Women in Abuse and Rape Emergencies (AWARE);  
Chair  
Alaska Network on Domestic Violence and Sexual Assault (ANDVSA)  
Juneau, Alaska

**POSITION STATEMENT:** Testified in support HCR 28.

LAUREE MORTON, Executive Director  
Council on Domestic Violence & Sexual Assault (CDVSA)  
Department of Public Safety  
Juneau, Alaska

**POSITION STATEMENT:** Testified in support of HCR 28.

REPRESENTATIVE KURT OLSON  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** As sponsor, presented HB 347.

ANNA LATHAM, Staff  
Representative Kurt Olson  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Presented HB 347 on behalf of Representative Olson, sponsor.

KATHIE WASSERMAN, Executive Director  
Alaska Municipal League (AML)  
Juneau, Alaska

**POSITION STATEMENT:** Testified in opposition to HB 347.

MAKO HAGGERTY  
Homer, Alaska

**POSITION STATEMENT:** Testified on behalf of himself in opposition to HB 347.

SCOTT RUBY, Director  
Division of Community and Regional Affairs  
Department of Commerce, Community, and Regional Development  
Anchorage, Alaska

**POSITION STATEMENT:** Testified during the hearing on HB 347.

#### **ACTION NARRATIVE**

[8:07:11 AM](#)

**CHAIR BOB LYNN** called the House State Affairs Standing Committee meeting to order at 8:07 a.m. Representatives Keller, Seaton, P. Wilson, Petersen, and Lynn were present at the call to order. Representatives Johansen and Gruenberg arrived as the meeting was in progress.

#### **HCR 28-SEXUAL ASSAULT AWARENESS MONTH**

[8:07:32 AM](#)

CHAIR LYNN announced that the first order of business was HOUSE CONCURRENT RESOLUTION NO. 28, Proclaiming the month of April 2012 to be Sexual Assault Awareness Month.

[8:07:43 AM](#)

RACHEL KALLANDER, Staff, Representative Cathy Munoz, Alaska State Legislature, presented HCR 28 on behalf of the House Community and Regional Affairs Standing Committee (HCRA), sponsor, on which Representative Munoz is chair. She stated that Alaska has the highest rates of sexual assault in the country, estimated at 2.5 times the national average; it is an epidemic that, until stopped, will continue to devastate Alaska's individuals, families, and communities. She said HCR

28, along with the governor's "Choose Respect" campaign, hopefully will send a message to Alaskans that sexual violence is not to be tolerated, silenced, or covered up. Ms. Kallander said the resolution recognizes the many volunteers, staff, and agencies that provide victims of sexual assault with safety, options, and justice. She said claiming April as sexual assault awareness month is "an honorable recognition of the great need in Alaska to combat this epidemic ... by speaking out, listening to those who have been harmed, and removing the veil of silence from this issue." She encouraged co-sponsorship of HCR 28.

[8:10:17 AM](#)

MS. KALLANDER, in response to Chair Lynn, said the sponsor could work with the Office of the Governor to come up with a list of those to whom copies of the proposed concurrent resolution would be sent.

[8:11:18 AM](#)

REPRESENTATIVE PETERSEN asked what would be done to make the public aware of the designation of April 2012 as Sexual Assault Awareness Month.

MS. KALLANDER indicated that a resolution has been made [in Alaska] since 2001, and she said many communities and states across the country have had similar legislation since the 1990s. She said she would bring this issue up with the sponsor, and she expressed her hope that the delivery of this campaign's message would be aligned with the Choose Respect campaign.

CHAIR LYNN suggested that a presentation could be made by the governor in conjunction with HCR 28.

[8:12:37 AM](#)

REPRESENTATIVE P. WILSON, in response to Ms. Kallander's urging committee members to co-sponsor HCR 28, offered her understanding that the committee could not do so because HCR 28 is being presented by the House State Affairs Standing Committee already.

CHAIR LYNN suggested that [a member of the committee] could make a statement when HCR 28 reaches the House floor.

[8:13:41 AM](#)

ROWENA PALOMAR, Executive Director, Advocates for Victims of Violence (AVV), related that AVV is a shelter for victims of domestic violence and sexual assault, and stated her support of the designation of April as Sexual Assault Awareness Month. She said the proposed legislation will send the message to victims that there are people ready to listen and help. Ms. Palomar listed the following activities AVV has planned in Valdez for April Sexual Assault Awareness Month: reading of the proclamation at the Valdez City Council meeting on April 2; a Walk a Mile in Her Shoes event on April 3, which will be led by men walking in high heels and flip flops to get an idea of the position a woman is in when assaulted; partnering with the school district to have students draw depictions on t-shirts showing how they want to be protected, and displaying those t-shirts in the school; and holding a women of distinction event honoring female role models in the community. She expressed thanks to Ms. Kallander and emphasized the importance of women coming forward to tell their stories.

[8:19:01 AM](#)

MS. PALOMAR, in response to Representative Seaton and Chair Lynn, stated her preference that all Aprils be designated as Sexual Assault Awareness Month - not just 2012.

[8:19:45 AM](#)

REPRESENTATIVE SEATON suggested finding out what the sponsor would like to do.

[8:20:29 AM](#)

MS. KALLANDER said she does not know the position of the sponsor regarding that question, but once again offered her understanding that similar resolutions have been passed each year since 2001.

[8:21:03 AM](#)

REPRESENTATIVE P. WILSON said she carried a resolution that made February Heart Awareness month, and she said the American Heart Association stated a preference for the resolution to be made each year. However, she noted that that resolution is still in the possession of the Senate, so it is too late for 2012. She said she thinks it would be a good idea to pass HCR 28 as a one-time resolution that would make every succeeding April Sexual Assault Awareness Month.

MS. PALOMAR concurred.

[8:22:23 AM](#)

CHAIR LYNN offered his understanding that that would require a bill, not just a resolution.

[8:22:42 AM](#)

REPRESENTATIVE GRUENBERG echoed the chair's remark.

CHAIR LYNN said National Guard Day just passed in the form of a bill. He commented that no one knows today what legislative schedules will be a year from now.

[8:23:53 AM](#)

REPRESENTATIVE KELLER said he would resist making a permanent designation, because people are uncomfortable talking about the issue and there is value in bringing it up each year. He said he would like a direct response from the sponsor on the issue before making this decision.

CHAIR LYNN said it was unfortunate that Gavel to Gavel was not present to televise this meeting.

[8:25:16 AM](#)

MS. KALLANDER stated a preference to speak with all involved agencies before the committee considered changing the proposed concurrent resolution to be perpetual.

CHAIR LYNN suggested that that conversation take place before considering the issue again next year.

[8:26:41 AM](#)

SARALYN TABACHNICK, Executive Director, Aiding Women in Abuse and Rape Emergencies (AWARE); Chair, Alaska Network on Domestic Violence and Sexual Assault (ANDVSA), testified in support of HCR 28. She said the resolution states many reasons that this designation is important for Alaska, and she expressed appreciation for the committee's focus on the issue. She related that a 2010 survey revealed that over 37 percent of adult women in Alaska experience sexual violence in their lifetime. She said the survey did not count the number of men

or children who have been victims of sexual violence. She stated that bringing awareness to the issue through HCR 28 will invite individuals and communities to speak about sexual assault, which will allow for greater intervention and prevention services. She said, "It helps take away the shame and take away the blame."

MS. TABACHNICK listed the following activities planned in Juneau for April: a training to engage men in the work of AWARE, on April 3; a healing art exhibit on April 6; and the annual waterfront race on April 7. She said next week the governor will hold his Choose Respect march, which will take place in 120 communities in Alaska. She said AWARE appreciates the legislature's support for victims of sexual assault and violence.

CHAIR LYNN pointed out that the elderly are also victims of sexual assault.

[8:29:56 AM](#)

REPRESENTATIVE KELLER asked Ms. Tabachnick to clarify that she was talking about the normal response of the victims to feel shame and blame themselves.

MS. TABACHNICK answered that is correct.

CHAIR LYNN remarked that often there is shame and blame with family members who question why they were not aware of abuse going on within the family.

[8:32:01 AM](#)

LAUREE MORTON, Executive Director, Council on Domestic Violence & Sexual Assault (CDVSA), Department of Public Safety, said she is currently in Fairbanks, Alaska, overseeing the training of eight sexual assault response teams, comprised of law enforcement officers, advocates, health care providers, and prosecutors. She stated her belief that it is important for "the leaders of the state to say with one voice that help is available, survivors will be believed, and offenders will be held accountable." She talked about the opportunity the legislature has to spread awareness, not only through HCR 28, but through constituent outreach. She spoke of safety at home and work, noting that coworkers and relatives are more likely than others to commit acts of sexual violence.

MS. MORTON expressed her appreciation of the acknowledgment in HCR 28 of "the people who are dedicated to this work and the call to assist them in this effort." She said there are heroes around the state who respond to help victims of sexual assault. She thanked the committee for its "constant support and work on these issues over the years," and she asked for the committee's support of HCR 28.

[8:35:10 AM](#)

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

[8:35:26 AM](#)

REPRESENTATIVE GRUENBERG reported that legal holidays are listed in AS 44.12.010. He said Martin Luther King Day was first set up as a "day of honor," then it moved to become a statute. He said, "There are a whole bunch of those statutes," ranging from AS 44.12.030 to AS 44.12.118. He offered some examples. He suggested that the committee may want to consider designating sexual awareness in statute.

[8:37:34 AM](#)

MS. KALLANDER said that is an important question for next year, and she said she will speak with the sponsor and other agencies.

[8:38:54 AM](#)

REPRESENTATIVE KELLER moved to report HCR 28 out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, HCR was reported out of the House State Affairs Standing Committee.

[8:39:18 AM](#)

The committee took an at-ease from 8:39 a.m. to 8:41 a.m.

#### **HB 347-USE OF MUNICIPAL FUNDS FOR INITIATIVES**

[8:41:20 AM](#)

CHAIR LYNN announced that the last order of business was HOUSE BILL NO. 347, "An Act prohibiting the use of municipal funds to support or oppose an initiative proposal to circulate a petition for a ballot initiative, or to influence the outcome of an

election concerning a ballot initiative, without approval by municipal voters at an election."

[8:41:43 AM](#)

REPRESENTATIVE KURT OLSON, Alaska State Legislature, as sponsor, presented HB 347. He said the bill would provide checks and balances to the "expenditure of the money." He said he had hoped the quarterly report from the Alaska Public Offices Commission (APOC) was available, but said he believes someone in the room may have a better understanding of "what the total will be." He surmised, "It's probably going to come in at about \$250,000, possibly more." He offered his understanding that "the actual dollars spent on gathering these signatures will be somewhere between 80 and 100 thousand dollars."

REPRESENTATIVE OLSON noted that included in the committee packet is information regarding related laws in 20 other states. He said other states' laws are stricter. He said if he had had that information in the beginning, he might have changed HB 347; however, he indicated that he was satisfied with the balance the proposed legislation would provide.

[8:44:16 AM](#)

CHAIR LYNN commented that quite often those trying to get an initiative passed don't have the same funds available as the city.

[8:45:19 AM](#)

REPRESENTATIVE OLSON offered an example of petition gathering where no public money was spent and an example where the petition signature gatherers were paid. He said often the money spent by municipalities has come from the state. He said his issue is with public money being used.

[8:48:17 AM](#)

REPRESENTATIVE JOHANSEN listed the amounts spent by various municipal entities on initiative petition gathering, as follows: the Alaska Municipal League, \$5,000; the Alaska Conference of Mayors, \$10,000; North Slope Borough, \$25,000; Bristol Bay Borough, \$4,000; the community of Pribilof Island, \$10,000; and the City of Valdez, \$5,000.

REPRESENTATIVE OLSON pointed out that "those are only the numbers that have been reported."

CHAIR LYNN said the money spent came from taxes of the people who may or may not agree with the issue.

[8:49:42 AM](#)

REPRESENTATIVE JOHANSEN offered his understanding that municipal revenue sharing is based on the price of oil and, thus, some of the money comes from the state's operating budget. He said during a recent signature gathering there was no paid opposition to the gathering of the signatures, which he said is fine.

CHAIR LYNN said ultimately the money comes from the citizens of the state.

REPRESENTATIVE OLSON said that is why he wants to compare this with the legislative Capital Project Submission & Information System (CAPSIS) project.

[8:51:06 AM](#)

ANNA LATHAM, Staff, Representative Kurt Olson, Alaska State Legislature, presented HB 347 on behalf of Representative Olson, sponsor. She stated:

Currently municipalities can spend thousands of dollars on consultants and paid signature collectors to influence the outcome of a ballot initiative. Although voters may be in support of a ballot initiative, they may not be in favor of municipal funds being allocated to special interest groups to finance that initiative, as Alaska law currently allows.

This bill creates awareness about where municipal funds are actually going and it empowers voters. If the voters' priorities are the same as the municipalities, voters would approve of funds to influence a ballot initiative. And if the voters' priorities differed from the municipal agenda, the process would stop before additional funds were spent.

So, in a sense, HB 347 could be a cost-saving measure as the state shifts to become more fiscally conservative.

MS. LATHAM said 14 of the 20 states reviewed by Legislative Legal and Research Services prohibited the use of public funds to support or oppose an initiative altogether. Those states, she said, are: Arizona, California, Georgia, Florida, Idaho, Massachusetts, Montana, Nevada, New Mexico, North Dakota, Oregon, Utah, Washington, and Wyoming. She said those states do allow municipalities to extend funds to provide information or educational materials regarding an initiative. She said HB 347 is not nearly as restrictive as the current legislation in the states she just listed; it would allow municipalities to use funds with voter approval. She said the intent of HB 347 is to keep the ballot initiative process fair and to ensure that the priorities of the municipalities are the same as the priorities of its citizens.

[8:53:35 AM](#)

REPRESENTATIVE SEATON asked what the cost to the boroughs would be for authorizing expenditures of funds for special elections and how those costs would relate to the cost that "municipalities have put in to the recent initiative."

MS. LATHAM answered that that would depend on the size of the municipality.

REPRESENTATIVE SEATON asked if Ms. Latham could answer the question for any specific borough.

MS. LATHAM said she could find out that information.

REPRESENTATIVE SEATON opined that it is important to find out that information on behalf of those people who have elected their municipal leaders. He said, "If the effect of this is to dramatically increase the cost of participation, then we need to know that." He offered his understanding that a special election held in the Kenai Peninsula Borough costs approximately \$300,000.

[8:55:54 AM](#)

REPRESENTATIVE KELLER directed attention to language on page 1, line 7, which read, "When expenditure of money is authorized by (b) or (c) of this section", and he said he is not familiar with subsections (b) and (c).

[8:56:20 AM](#)

REPRESENTATIVE OLSON responded as follows:

It was quite contentious when it was brought up to the Council of Mayors. I believe that the small mayors outnumbered the large mayors in this one person/one vote. ... The three or four mayors that were adamantly against expending monies on the initiative represented probably 60-65 percent of the state.

[8:57:07 AM](#)

REPRESENTATIVE P. WILSON said the cost varies depending on factors such as whether an initiative is going to be added to an already planned special election or a special election is being called just for the initiative. She stated her preference to not have municipalities paying [for initiative processes] with money the state has given for other purposes.

[8:58:19 AM](#)

REPRESENTATIVE JOHANSEN stated, "This is not about voicing an opinion; this about writing a check." He said any municipality can voice an opinion through a resolution or through letters to the mayor. He said of the \$100,000 raised by municipalities, \$50,000 was sent to a signature gatherer in Anchorage.

REPRESENTATIVE OLSON said Representative Johansen's statement is accurate. He related that he has not heard any negative feedback on this proposed bill.

[9:00:35 AM](#)

REPRESENTATIVE GRUENBERG asked Ms. Latham if she inquired of Legislative Legal and Research Services whether any courts have construed the constitutionality, particularly in regard to the possible infringement of the municipalities' right to free speech.

MS. LATHAM answered no, but said she received a court opinion that said "initiative petition circulation is poor political speech." She said, "So, that cannot be prohibited. What we could prohibit, as other states have already done, is to prohibit municipalities from receiving."

[9:02:09 AM](#)

REPRESENTATIVE GRUENBERG asked for a copy of that case and any other related legal matter. He said it seems that an initiative is one method of expressing an opposition to a government policy or program, usually utilized by people who cannot gain redress through the normal form of representative government. He said, "It would seem to me that the application of a ... law like this would be to allow the initiative sponsors to present their side of the case yet to prohibit the municipality from presenting its side of the case." He ventured that if there is going to be an election to determine whether municipal money can be spent, it will change only the timing of the debate.

[9:04:41 AM](#)

REPRESENTATIVE OLSON responded that [under HB 347], at least [the municipality] would know whether the people supported the direction in which it was going.

REPRESENTATIVE GRUENBERG concurred. He said the debate would take place around the time of the election that would be held to decide whether to spend money on the initiative.

[9:05:14 AM](#)

REPRESENTATIVE JOHANSEN argued that the debate may not be limited to the issue. To Representative Gruenberg's first question, he pointed to [the first sentence of] the third footnote in the aforementioned Legislative Legal and Research Services memorandum, which read as follows [original punctuation provided]:

In Idaho, Massachusetts and New Mexico, the prohibition is not codified in law but rather, pursuant to court rulings.

REPRESENTATIVE GRUENBERG said this issue is interesting because it deals not only with policy, but also with legal issues. He named two issues: free speech and a question regarding what right a municipality has under the articles in the state constitution dealing with municipality government. He offered his understanding that under HB 347 there is no issue with the latter, but said he "did not see anything on the free speech issue."

[9:07:05 AM](#)

REPRESENTATIVE OLSON stated, "That was my overriding concern, and it was expressed that way to the [bill] drafter."

[9:07:11 AM](#)

REPRESENTATIVE SEATON referred to a paragraph in the Legislative Legal and Research Services memorandum [regarding Ballot Measure 1], which read as follows [original punctuation provided]:

The initiative would have banned the use of public funds for political campaigns and lobbying by state and local government agencies and school districts to support or oppose ballot measures, lobby to pass a law, or request public funding. The measure failed as nearly 61 percent of voters cast their ballots against it.

REPRESENTATIVE SEATON asked how [Ballot Measure 1] and HB 347 differ.

[9:08:02 AM](#)

REPRESENTATIVE OLSON answered that HB 347 is less restrictive and does not include school districts, for example. He said he would distribute a copy of Ballot Measure 1 [included in the committee packet].

[9:08:39 AM](#)

REPRESENTATIVE SEATON explained he is trying to figure out if the issue is the same, because if it is he questioned why a different result from the voters would be anticipated.

REPRESENTATIVE OLSON said reading the language of Ballot Measure 1 would answer Representative Seaton's query.

[9:09:17 AM](#)

REPRESENTATIVE PETERSEN said as a result of a Supreme Court ruling in the Citizens United case, it is unlawful to limit the political speech of corporations and unions. He questioned whether trying to limit the free speech of municipalities would result in another court battle.

CHAIR LYNN said the committee needs to get input from the Department of Law.

9:10:30 AM

KATHIE WASSERMAN, Executive Director, Alaska Municipal League, testified in opposition to HB 347. She directed attention to language in the sponsor statement [included in the committee packet], which indicates HB 347 would prohibit municipalities from spending "copious amounts of money" to advance their own agenda. She questioned the meaning of copious in this context. She explained that any amount of money spent on an initiative must go through a hearing process in the municipality. That hearing process must be legally posted and advertised. She said there are two hearings, and public input is allowed. She posited that it is false to say people do not have the ability to be part of the process. Ms. Wasserman expressed concern with the statement that municipalities follow their own agenda. She said elected officials never have 100 percent of their constituency backing them; however, they are elected, they have fiduciary responsibilities, and some of them do have agenda. She said agenda is not always a bad word.

9:13:28 AM

MS. WASSERMAN disagreed with the sponsor's statement that the mayors who were against spending money [on the aforementioned initiative] represented 65 percent of the state. She said they were from the same area and represented a large population, but not 65 percent. She emphasized that a vote was taken. She said the 2010 initiative referred to by Representative Seaton was one that the municipalities, through AML, ran the campaign against. She said, "We did that with many organizations across the state, and we were able to defeat that initiative, but it also protected the state legislators from spending any money on anything that they voted on." Ms. Wasserman said she received thanks from many legislators for taking the stand against that initiative. She said, "And now we have an initiative that is against some of the legislators, and suddenly it shouldn't be done. And I just have a very difficult time understanding why it's dependent on which viewpoint we take."

9:15:01 AM

CHAIR LYNN noted that one of the co-sponsors of HB 347 is Representative Anna Fairclough, who was a prominent member of the Anchorage Assembly, and he stated his assumption that she has intimate knowledge of municipal politics in that community.

9:15:30 AM

REPRESENTATIVE GRUENBERG referred to the information in the Legislative Legal and Research Services memorandum and said the document shows only how many states prohibit the use of public funds to support or oppose an initiative. He said those laws could take various forms. He offered the following hypothetical examples: public funds may not be used to oppose or support a ballot measure or an initiative; and the only prohibition is to use public funds to speak out on an initiative proposed by the voters. He said this brings up a fundamental question of whether it is constitutional and good policy only to oppose public funds vis-à-vis an initiative. He concluded: "Why should it make a difference whether something's proposed by the voters as opposed [to] ... the municipality? In both cases, the voters are asked to approve it."

[9:18:29 AM](#)

MS. WASSERMAN said municipalities have donated money, but none have sponsored "the current initiative"; it was sponsored by a group formed separately. She said with the way some national laws have changed, under HB 347 municipalities would be "the only ones that can't say anything." She relayed that the lesson learned from "the last initiative that we fought against a group that carried the gag law to the voters" was that expenditure of money means "while you're on the clock, you can't say anything ... unless you are at home, on your own phone." She said that calls into question whether a mayor, who is not paid, is on the clock 24 hours a day. She said initiatives may involve municipalities, and she opined that municipalities need to be able to represent themselves in a timely manner. In response to Representative Gruenberg, she said she would seek out legal research on this issue.

[9:20:26 AM](#)

REPRESENTATIVE SEATON directed attention to language in the bill title, starting on line 2, which read, "**or to influence the outcome of an election concerning a ballot initiative**". He asked Ms. Wasserman if her interpretation from "the previous bill initiative" is that a municipal official who traveled to Juneau when hearings were taking place would be prohibited from taking part in those hearings.

MS. WASSERMAN answered yes. She said, "We were told that they would be prohibited from taking part in anything." She added, "It's a lot more far reaching than just handing a check over."

REPRESENTATIVE SEATON said he thinks it would be an interesting situation if initiatives are brought up that would directly affect municipalities, but the representatives of those municipalities were prohibited from sending people to Juneau to talk to the legislature.

[9:22:33 AM](#)

CHAIR LYNN suggested adding a provision stating that the proposed legislation would not prohibit municipal employees who are on the clock from communicating with or testifying before the legislature.

REPRESENTATIVE SEATON said that would help, and it would further help if those municipal employees were allowed to have hearings in their own municipality.

[9:24:07 AM](#)

REPRESENTATIVE JOHANSEN said "this" is not "a flat-out prohibition from taking part in the process." He then said a borough could set up a structure that could "run through the ballot one time and create a pot of money" that could be used to deal with initiatives. He said that would keep "the big money" out, but would allow for staff to testify.

MS. WASSERMAN, in response to series of questions from Representative Johansen, confirmed that the Conference of Mayors is part of the structure of AML, but the two entities have separate bank accounts. The executive boards of each organization, through votes, decide how the money is spent. She said AML's money comes from membership dues from municipalities, business sponsors, and associates throughout the state that join AML, nonprofit organizations, and associations. Additionally, AML charges fees for training in, for example, grant writing, parliamentary procedure, and how to run a good meeting. She relayed that the information pertaining to AML's money sources is posted on its web site and available to the public. In regard to her previous statement that two hearings are given, she confirmed that that applies to every municipality in the state.

REPRESENTATIVE JOHANSEN offered his understanding that some municipalities utilize consent calendars, on which all topics are listed, and if someone must make a motion to bring the topic forward. He said he has seen some large appropriations go

through the Ketchikan Borough Assembly on a consent calendar without any reading or discussion.

MS. WASSERMAN, in response to Chair Lynn, estimated that 60 percent of AML's funding comes from municipalities. She offered further information regarding benefits of membership.

[9:31:04 AM](#)

REPRESENTATIVE JOHANSEN said there is state law that prohibits people from using legislatively appropriated money to lobby the legislature. He said AML could say that it does not use the municipal revenue sharing money, but uses "the money we get from the 40 or 50 people or the other money." He questioned whether at some point that other money would run out and AML would be left with only municipal money. He said there is a comingling of funds.

CHAIR LYNN asked if the funds are comingled.

MS. WASSERMAN answered yes. In response to a follow-up question, she said the board decides how to use the funds.

[9:32:51 AM](#)

MS. WASSERMAN, in response to Representative Johansen, said she has only four employees, so if smaller communities need help with balance sheets and budgets, she defers them to a source of help.

[9:34:21 AM](#)

REPRESENTATIVE SEATON said, "It seems like we're saying, 'Since you're a member of an organization, then any organization that you're a member of is prohibited from using any funds from that organization to support or oppose an initiative.'" He said he thinks the committee should qualify that with the sponsor.

[9:36:18 AM](#)

MAKO HAGGERTY specified that although he sits on the Kenai Peninsula Borough Assembly, he is testifying on behalf of himself. He relayed that he is one of the co-sponsors of the Coastal Management Program Initiative. He said his first reaction to reading HB 347 is that it is a gag order to silence those who are making an effort to represent themselves. He said one thing that is done at the municipal level is the allocation

of money. He said the top ordinances introduced at the last assembly meeting were for: \$29,000, \$200,000, \$569,000, and \$4.7 million. He said those are large sums of money that the public trusts the assembly to allocate. He said the municipalities felt it was important to spend \$5,000-\$28,000 on the initiative, which he said is minor compared to the amount of money it would take to run an election to see if municipalities could even speak to the issue.

MR. HAGGERTY stated his opposed to HB 347, which he described as "nothing less than an unfunded mandate." He warned that if passed, municipalities would be forced to spend a lot of money that they would not have spent in the first place. He said there have been several local initiatives that have had an adverse effect on the way the Kenai Peninsula Borough does business, and under HB 347, the assembly would not be allowed to explain why an initiative would harm the municipality. He concluded, "No matter which direction you come at this bill, it just ... seems kind of knee jerk and shortsighted."

[9:40:14 AM](#)

REPRESENTATIVE GRUENBERG, regarding Mr. Haggerty's comment that under HB 347 the assembly would not be allowed to explain a ballot measure, said that is not the way he interprets the proposed legislation.

MR. HAGGERTY said he does not agree because of the way information is interpreted. He said someone will decide the explanation is in support or opposition to an initiative.

REPRESENTATIVE GRUENBERG said he thinks that would depend on how the message was crafted.

[9:42:03 AM](#)

REPRESENTATIVE KELLER, regarding previous comments about restrictions on holding hearings, said when the legislature holds hearings, the intent is to listen to the community, not to steer the community. He said he cannot see where a restriction on spending money can possibly be construed to be a restriction on freedom of speech.

[9:44:32 AM](#)

REPRESENTATIVE PETERSEN asked Mr. Haggerty if he believes that voters give the assembly members the power to manage the

community's money, and that if they don't like the way the money is managed, they can choose to not re-elect any of those members.

MR. HAGGERTY answered yes. He said those who elected him expect him to listen and make good choices based on differing opinions of the public. He said another reason he thinks HB 347 is not necessary is because if a municipality is going to spend money to support or oppose an initiative, it will still have to notify the community and base its decisions off of the public's response. He indicated that in his community, that response is great.

[9:46:44 AM](#)

REPRESENTATIVE JOHANSEN told Mr. Haggerty he does not appreciate "assigning the motive of introducing the bill because of a specific initiative." He said, "Language such as this that was compared to the ... anti-corruption initiative, that language was introduced in 2007, so this issue ... is not a reaction to a specific initiative." Regarding Mr. Haggerty's remark about being responsive to the local constituency, Representative Johansen said [the legislature] needs to be responsive to the state, and "this" is about state money.

[9:47:54 AM](#)

SCOTT RUBY, Director, Division of Community and Regional Affairs, Department of Commerce, Community, and Regional Development, testified that the division provides advice and assistance to municipalities "on these types of issues." In regard to the previous question about subsections (b) and (c), he said those subsections address how a municipality may use money to explain initiatives and expressly authorizes municipalities to do so. He said there is a zero fiscal note because the division already has staff that provides assistance to communities and works with AML in providing training and assistance to the municipalities.

[9:49:42 AM](#)

REPRESENTATIVE OLSON expressed appreciation of Mr. Haggerty's petition signature gathering efforts, for which Mr. Haggerty used no municipal funds. Regarding intent language, he said he thinks there are some qualified people who could address some of the issues raised today.

[9:51:00 AM](#)

REPRESENTATIVE OLSON, in response to Representative Seaton, said the intent of the bill is not to disallow elected community leaders from coming to testify before the legislature in Juneau. He clarified that the only intent of HB 347 is to prevent state monies from being used for signature gathering.

[9:52:12 AM](#)

REPRESENTATIVE KELLER said he would like to move the bill, and he emphasized that he thinks the issues raised today could be addressed by the next committee of referral.

[9:52:45 AM](#)

REPRESENTATIVE SEATON said he would object to a motion, because he thinks "we all represent communities." He said he checked with one of his municipalities who object to the proposed legislation, and he has not yet checked with the rest of his constituent communities, an obligation he said he must fulfill.

CHAIR LYNN remarked that the bill was noticed.

[9:54:35 AM](#)

REPRESENTATIVE KELLER moved to report HB 347 out of committee with individual recommendations and the accompanying zero fiscal note.

[9:54:49 AM](#)

REPRESENTATIVE SEATON objected.

[9:54:56 AM](#)

REPRESENTATIVE JOHANSEN, regarding the remark by Chair Lynn, noted that HB 347 was noticed 6 days and 18 hours ago, which he opined is ample time in which to canvas a district for opinions. He reiterated that HB 347 does not speak to any specific initiative, but speaks for itself. He opined that it is ironic that the sponsor of the aforementioned Ballot Measure 1 is the same person who received \$50,000 to put the Alaska Sea Party's initiative [Ballot Measure 2 in support of Coastal Zone Management] on the ballot. He stated his support for HB 347.

[9:56:07 AM](#)

REPRESENTATIVE PETERSEN objected to the motion to move HB 347 out of committee. He reiterated his concern that it would open the state up to legal entanglement.

CHAIR LYNN said as a member of the next committee of referral, the House Judiciary Standing Committee, he will ensure that someone is present from the Department of Law to speak to that issue.

[9:56:51 AM](#)

A roll call vote was taken. Representatives Johansen, P. Wilson, Keller, and Lynn voted in favor of the motion to move HB 347 out of committee with individual recommendations and the accompanying fiscal notes. Representatives Petersen and Seaton voted against it. Therefore, HB 347 was reported out of the House State Affairs Standing Committee by a vote of 4-2.

[9:57:42 AM](#)

#### **ADJOURNMENT**

There being no further business before the committee, the House State Affairs Standing Committee meeting was adjourned at 9:58 a.m.