

ALASKA STATE LEGISLATURE
HOUSE COMMUNITY AND REGIONAL AFFAIRS STANDING COMMITTEE

April 13, 2013

8:04 a.m.

MEMBERS PRESENT

Representative Gabrielle LeDoux, Co-Chair
Representative Neal Foster
Representative Kurt Olson
Representative Lora Reinbold
Representative Harriet Drummond

MEMBERS ABSENT

Representative Benjamin Nageak, Co-Chair
Representative Bob Herron

COMMITTEE CALENDAR

COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 73(STA)

"An Act relating to a municipal property tax exemption for real property that is the primary residence of certain widows and widowers; and providing for an effective date."

- MOVED CSSB 73(STA) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: SB 73

SHORT TITLE: PROPERTY TAX EXEMPTION/MILITARY WIDOW(ER)

SPONSOR(s): SENATOR(s) MEYER

03/11/13	(S)	READ THE FIRST TIME - REFERRALS
03/11/13	(S)	CRA, STA
03/19/13	(S)	CRA AT 3:30 PM BUTROVICH 205
03/19/13	(S)	-- Meeting Postponed to 3/26/13 --
03/26/13	(S)	CRA AT 3:30 PM BUTROVICH 205
03/26/13	(S)	Moved CSSB 73(CRA) Out of Committee
03/26/13	(S)	MINUTE(CRA)
03/27/13	(S)	CRA RPT CS 4DP NEW TITLE
03/27/13	(S)	DP: MICCICHE, EGAN, HOFFMAN, GIESSEL
03/28/13	(S)	STA AT 9:00 AM BUTROVICH 205
03/28/13	(S)	Heard & Held
03/28/13	(S)	MINUTE(STA)
04/09/13	(S)	STA RPT CS 1DP 2NR NEW TITLE
04/09/13	(S)	DP: DYSON

04/09/13 (S) NR: COGHILL, GIESSEL
04/09/13 (S) STA AT 9:00 AM BUTROVICH 205
04/09/13 (S) Moved CSSB 73(STA) Out of Committee
04/09/13 (S) MINUTE(STA)
04/11/13 (S) TRANSMITTED TO (H)
04/11/13 (S) VERSION: CSSB 73(STA)
04/11/13 (H) READ THE FIRST TIME - REFERRALS
04/11/13 (H) CRA
04/13/13 (H) CRA AT 8:00 AM BARNES 124

WITNESS REGISTER

SENATOR KEVIN MEYER
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Spoke as the sponsor of SB 73.

EDRA MORLEDGE, Staff
Senator Kevin Meyer
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Answered questions on behalf of the sponsor of SB 73.

JEFFERY MITTMAN, Executive Director
Alaska Civil Liberties Union of Alaska
Anchorage, Alaska

POSITION STATEMENT: Testified that there are several reasons to accept Amendment 1 to CSSB 73(STA) and none to reject it.

SUSAN TOW
Anchorage, Alaska

POSITION STATEMENT: Testified that CSSB 73(STA) must also honor and support widows and widowers of gay and lesbian military families.

LYNN DAVIS
Lesbian, Gay, Bisexual, and Transgender (LGBT) Community
Douglas, Alaska

POSITION STATEMENT: During hearing of CSSB 73(STA), urged inclusion of the widows and widowers of veteran same-gender domestic partners in the property tax exemptions.

ACTION NARRATIVE

[8:04:52 AM](#)

CO-CHAIR GABRIELLE LEDOUX called the House Community and Regional Affairs Standing Committee meeting to order at 8:04 a.m. Representatives Foster, Olson, Reinbold, Drummond, and LeDoux were present at the call to order.

SB 73-PROPERTY TAX EXEMPTION/MILITARY WIDOW(ER)

8:05:31 AM

CO-CHAIR LEDOUX announced that the only order of business would be CS FOR SENATE BILL NO. 73(STA), "An Act relating to a municipal property tax exemption for real property that is the primary residence of certain widows and widowers; and providing for an effective date."

8:06:02 AM

SENATOR KEVIN MEYER, Alaska State Legislature, speaking as the sponsor, explained that SB 73 supports military families who have chosen to remain in Alaska, even though their spouse has been killed during military service. The impetus for this legislation was a constituent whose husband was killed during military service. Senator Meyer related that while this military widow was devastated financially and emotionally by the loss of her husband, she approached the Anchorage Assembly regarding possible relief of the property tax [for military widow/widowers]. The Anchorage Assembly put the issue before the voters and it was overwhelmingly approved, by almost 80 percent. Unfortunately, the Municipality of Anchorage discovered that local municipalities couldn't offer such relief without an enabling ordinance from the state. Therefore, this legislation seeks to achieve that by allowing municipalities the option, by ordinance approved by the voters, to exempt the first \$150,000 of assessed value for the home of any widow/widower of a member of the armed service, including the National Guard, who dies from a service-related cause. Senator Meyer opined that this legislation will help military families when they need it the most and seems to be the least that can be done for those military families who are sacrificing on behalf of the nation.

8:08:39 AM

REPRESENTATIVE OLSON moved that the committee adopt Amendment 1, labeled 29-LS063\P.2, Bullard, 4/12/13, [text provided at the subsequent motion to adopt Amendment 1].

[8:09:28 AM](#)

REPRESENTATIVE REINBOLD inquired as to why the exemption is only for \$150,000 as it doesn't buy much.

SENATOR MEYER pointed out that it's the same amount currently in statute for disabled veterans.

[8:09:51 AM](#)

EDRA MORLEDGE, Staff, Senator Kevin Meyer, Alaska State Legislature, clarified that the \$150,000 is the current limit for several other optional exemptions, including widows/widowers of disabled veterans. However, in cases of hardship, municipalities can offer a higher amount. In further response, there was the indication that [the widow/widower] doesn't have to reapply for the exemption each year.

[8:10:42 AM](#)

REPRESENTATIVE FOSTER inquired as to what would occur if the widow/widower receiving this exemption moves out of state after a certain timeframe.

SENATOR MEYER answered that he didn't know, but pointed out that the municipalities are already accustomed to administering such exemptions as the senior and disabled veteran exemptions have been on the books for some time.

[8:11:22 AM](#)

CO-CHAIR LEDOUX pointed out that this legislation is permissive for municipalities.

SENATOR MEYER agreed that it's totally optional for municipalities.

[8:11:37 AM](#)

REPRESENTATIVE DRUMMOND, regarding the value of the exemption to the property owner, related that her home is valued at just over \$300,000 and the property tax is about \$4,600 annually. Therefore, in her case the \$150,000 exemption would be worth about \$2,200. She echoed Senator Meyer's comment that the \$150,000 is no different from the senior and disabled veteran property tax exemptions. She noted that Anchorage has discussed increasing that deduction as the \$150,000 value was established

many years ago when that amount was more in line with property values at the time and often resulted in complete forgiveness of the entire property tax. Now, the average price of a home is over \$300,000.

[8:13:44 AM](#)

REPRESENTATIVE OLSON withdrew his motion to adopt Amendment 1.

[8:14:06 AM](#)

REPRESENTATIVE DRUMMOND moved to adopt Amendment 1, labeled 28-LS0631\P.2, Bullard, 4/12/13, which read:

Page 1, line 2, following "**widowers;**":

Insert "**providing a definition of 'widow' and 'widower' for the purpose of applying the municipal tax exemption;**"

Page 2, line 11, following "**spouse**":

Insert "**or committed financially interdependent same-sex domestic partner**"

REPRESENTATIVE OLSON objected for purposes of discussion.

[8:14:57 AM](#)

REPRESENTATIVE REINBOLD informed the committee that [the companion legislation to] CSSB 73(STA) came before [the House Special Committee on Military and Veterans' Affairs] on which she sits and the [same amendment] was discussed. However, no data could be provided in terms of how many could be [included with the adoption of Amendment 1], and thus the amendment was rejected.

[8:15:20 AM](#)

SENATOR MEYER clarified that he isn't trying to exclude any group of people, but rather is trying to conform to existing statute. He related his understanding that there was an Alaska Supreme Court case, Schmidt v. State of Alaska, which called into the question the constitutionality of the existing senior citizen and disabled veteran property tax exemption. The state is currently appealing that decision and no decision has been handed down at this point. Once there is a ruling, the state will have to change all of its statutes accordingly.

[8:16:17 AM](#)

REPRESENTATIVE FOSTER inquired as to how to define "or committed financially interdependent same-sex domestic partners"

[8:17:03 AM](#)

JEFFERY MITTMAN, Executive Director, Alaska Civil Liberties Union of Alaska, in response, stated that the definition of "same-sex committed partner" has been established by the State of Alaska in the underlying decision of AkCLU v. State of Alaska [122 P.3d 788]. The Alaska Supreme Court allowed the State of Alaska, Municipality of Anchorage, to come develop factors that were sufficient to establish that the relationship was akin to that of a marriage relationship. Mr. Mittman clarified that there are two Supreme Court cases, one of which has been decided and determined the principle, which is the basis for the trial court's decision and the property tax exemption case. Because the Alaska State Constitution forbids same-sex couples from ever being married, it's unconstitutional to deny them the same rights. With regard to the numbers of personnel, [AkCLU] has provided that information from the Servicemembers Legal Defense Network (SLDN) that has a census of the number of same-sex committed couples, one of which at least is in military service. He then offered to provide that information to any member of the committee.

[8:18:34 AM](#)

REPRESENTATIVE FOSTER asked whether the Municipality of Anchorage include the provision proposed in Amendment 1 into their ordinance.

MS. MORELEDGE replied no.

[8:18:53 AM](#)

CO-CHAIR LEDOUX surmised that the senior property tax exemption doesn't include anything similar to what's being proposed in Amendment 1.

MS. MORELEDGE replied yes.

[8:19:12 AM](#)

REPRESENTATIVE REINBOLD asked whether the Defense of Marriage Act (DOMA) would allow the proposal [embodied in Amendment 1].

MS. MORELEDGE characterized it as the crux of the issue. The Alaska Supreme Court ruled that the way benefits are provided to widows/widowers is unconstitutional as Mr. Mittman testified. However, the Department of Law is appealing that decision, and thus since no decision has been handed down yet the sponsor feels it's premature to include the language embodied in Amendment 1 in statute. If the court does, in fact, rule [that the way benefits are provided to widows/widowers is unconstitutional], then all such language will have to be changed in statute. Ms. Moreledge said [CSSB 173(STA)] is simply trying to conform to existing language already in statute.

The committee took a brief at-ease.

[8:21:36 AM](#)

CO-CHAIR LEDOUX opened public testimony.

[8:22:21 AM](#)

SUSAN TOW, provided the following testimony:

I served 22 years of honorable service in the United States Air Force, 12 of those years were served while stationed here in the State of Alaska. During those years, I deployed to support ongoing contingencies in Iraq and Afghanistan. My last deployment before I retired was as the Superintendent of Medical Logistics. This tour lasted 12 months, 7 months out of that year I traveled extensively throughout Iraq, Afghanistan, Pakistan, and the UAE [United Arab Emirates]. Most of these travels were on Black Hawk helicopters or via ground support. I have been shot at and I have pulled my weapon in self-defense. I was always armed and my weapon was always locked and loaded. I've carried wounded soldiers, marines, and airmen from the heliport pad in Boulad into the ER for treatment. I've spent nights in bunkers in Kabul and Kandahar, praying that the incoming bullets and missiles did not hit their intended target. I've stood on many Patriot details as our fallen brothers and sisters were loaded for final transport back to their families. Through all of this my thoughts were always with my family, my wife and our two young sons. If I were to die, what would become of them? I knew

we didn't have the same rights or benefits expended to our coworkers. As a retired senior [Non-commissioned officer] NCO, I mentor many gay and lesbian active-duty military members, most of them have families. Many of them own property together here in Alaska. Many of them are raising children and have been in a committed relationship for years. These airmen and soldiers are geared to deploy at any given time; they are in combat-related jobs, infantry, security forces, fighter pilots, crew chiefs, and combat medics. They are set to deploy and defend our country whenever asked. Their number one fear is that their families will not be taken care of should they not return from a mission. Senate Bill 73 is set to honor Alaska's fallen warriors and support widows and widowers of service members that are killed while on active duty. This must include our gay and lesbian military families who are prepared to give their all in the hope that if they do, their families will be taken care of.

[8:25:04 AM](#)

CO-CHAIR LEDOUX thanked Ms. Tow for her service to the country.

[8:25:37 AM](#)

MR. MITTMAN, providing his testimony, opined that there are several reasons to accept Amendment 1 and no reasons to reject it. He then highlighted a situation that occurred this week in Missouri in which one partner in a couple who had been in a relationship for five years and had done all they could legally to take care of each other, including medical powers of attorney, was kicked out of the hospital room of the other partner. The aforementioned occurred because Missouri had not taken the legal action necessary to recognize that relationship, which left the hospital unclear. The State of Alaska, he opined, is a little behind the times in terms of the law. Regardless of what the state does with its policies and laws, there are committed families living together. He further opined that anyone with a husband, wife, or a family member whom they love understand that this isn't a matter of politics but rather a matter of family. There are service members currently serving in the military who are in long-term committed relationships who have children. Those service members as well as same-sex married couples and their families need the protections that CSSB 73(STA) offers. Mr. Mittman opined that this is not

controversial or difficult. In fact, a very similar law was considered by the 26th Alaska State Legislature in 2010 and the amendment [similar to Amendment 1] was accepted. He characterized Amendment 1 as a simple change that DOMA doesn't forbid as DOMA simply states that the federal government wouldn't necessarily recognize same-sex committed marriages. The DOMA doesn't forbid any state or municipality from recognizing the service of a gay or lesbian service member and taking care of their families. The State of Alaska has the right to do as it has always and historically done, that is to honor service. If someone is willing to give his/her life for their country, it's appropriate for the state to say it will take care of that individual at the time of death. He reiterated that the Alaska Supreme Court has ruled, whether or not the Schmidt case is found on appeal to be a good law, there is nothing that forbids this committee from doing the right thing now. In closing, Mr. Mittman said, "For 70 years lesbian and gay couples have been fighting, not for politics, not for principle, but simply to take care of themselves. I would hope that this committee would do the same."

[8:28:57 AM](#)

LYNN DAVIS, Lesbian, Gay, Bisexual, and Transgender (LGBT) Community, provided the following testimony:

I'm a 20-year resident of Alaska and I'm a member of the LGBT community. I knew in 1954 that I was gay, but there was no word for it. I lived in Ohio; it's been a long journey. I love this state; sadly, there is an ongoing backwardness toward the LGBT community that pierces my heart on a daily basis. Our nation's military, gay and straight, simply want to serve their country. The LGBT soldiers and vets, as we have been learning through their powerful personal testimony these last few years, have had to fight on more fronts than their straight counterparts. Besides fighting in all the wars, the LGBT military have had to fight decades of deadly institutional discrimination. Based on their testimony about how their work and lives have been deeply harmed by anti-gay attitudes and structures, our country moves strongly to strike down Don't Ask, Don't Tell and our Alaska senators boldly stood up against the injustice and harm of treating LGBT military as second class citizens. Now, Alaska faces a moment of forward, positive, inclusive, respectful action toward my community, the Lesbian,

Gay, Bisexual, and Transgender community. I urge you to include the widows and widowers of veteran same-gender domestic partners in the property tax exemptions. As the poet Terry Tempest Williams says, "We are a nation at war with ourselves." Let's take this opportunity to say Alaska stands for equality and fairness for our military veterans. Let's take steps to end harmful treatment of our LGBT vets.

[8:31:46 AM](#)

CO-CHAIR LEDOUX closed public testimony.

[8:32:09 AM](#)

REPRESENTATIVE DRUMMOND realized that first three lines of Amendment 1 are a title change.

[8:32:48 AM](#)

REPRESENTATIVE DRUMMOND pointed out that as testimony has highlighted, there is a broad movement to provide a change in the definition of widow and widower to recognize same-sex partners across the nation. [Amendment 1] would place Alaska in the forefront of recognizing all couples and recognize the service of all military regardless of sexual orientation. She expressed hope the committee would consider [adopting] Amendment 1.

[8:33:33 AM](#)

REPRESENTATIVE OLSON asked whether there is ongoing litigation [on the topic embodied in Amendment 1].

SENATOR MEYER replied yes.

REPRESENTATIVE OLSON related that due to the ongoing litigation he would maintain his objection.

SENATOR MEYER noted that the Department of Law is online.

[8:34:57 AM](#)

REPRESENTATIVE REINBOLD related her opposition to Amendment 1 as she doesn't believe marriage can be redefined. She characterized marriage as a basic fundamental, founding principle upon which the state and the entire [nation] was

built. Representative Reinbold said she didn't appreciate this legislation being hijacked with an amendment that she didn't believe to be appropriate at all. Moreover, DOMA is the law of the land and is being misinterpreted. She related her belief in DOMA and Don't Ask Don't Tell, which she characterized as a respectful way to address the issue.

[8:35:57 AM](#)

CO-CHAIR LEDOUX concurred with Representative Olson regarding not getting in the middle of a battle with the court and waiting for its decision.

[8:36:21 AM](#)

REPRESENTATIVE DRUMMOND agreed with Representative Olson that it isn't appropriate to get involved with something that is being litigated. She then expressed her hope the court will come out with a change. She also expressed her belief that it's healthy for the committee to have this conversation because she believes it will be the direction at some point.

[8:37:08 AM](#)

A roll call vote was taken. Representatives Foster and Drummond voted in favor of the adoption of Amendment 1. Representatives Olson, Reinbold, and LeDoux voted against it. Therefore, Amendment 1 failed by a vote of 2-3.

[8:37:45 AM](#)

REPRESENTATIVE DRUMMOND stated that CSSB 73(STA) is the direction [the legislature] should move in. She then related her support for CSSB 73(STA) and the service that it provides to the state's existing widows/widowers of military service members.

[8:38:12 AM](#)

CO-CHAIR LEDOUX characterized CSSB 73(STA) as great legislation. However, each year there are requests for municipalities to receive authority for various exemptions, which causes her to question whether these exemptions should be completely left to the municipalities to determine what they want to exempt.

[8:39:02 AM](#)

REPRESENTATIVE FOSTER agreed with Co-Chair LeDoux regarding leaving the exemptions to the municipalities and noted his support for CSSB 73(STA). He then requested a list of all the existing exemptions.

[8:40:04 AM](#)

REPRESENTATIVE OLSON moved to report CSSB 73(STA) out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSSB 73(STA) was reported from the House Community and Regional Affairs Standing Committee.

[8:40:26 AM](#)

ADJOURNMENT

There being no further business before the committee, the House Community and Regional Affairs Standing Committee meeting was adjourned at 8:40 a.m.