

ALASKA STATE LEGISLATURE
HOUSE COMMUNITY AND REGIONAL AFFAIRS STANDING COMMITTEE

February 4, 2014

8:01 a.m.

MEMBERS PRESENT

Representative Gabrielle LeDoux, Co-Chair
Representative Benjamin Nageak, Co-Chair
Representative Neal Foster
Representative Bob Herron
Representative Kurt Olson
Representative Lora Reinbold

MEMBERS ABSENT

Representative Harriet Drummond

COMMITTEE CALENDAR

HOUSE BILL NO. 199

"An Act relating to Department of Public Safety regulations allowing village public safety officers to carry firearms."

- MOVED HB 199 OUT OF COMMITTEE

HOUSE BILL NO. 223

"An Act authorizing municipalities to exempt or partially exempt for up to 10 years property in a military facility zone that creates or supports industry, development, or educational or training opportunities."

- MOVED HB 223 OUT OF COMMITTEE

HOUSE BILL NO. 275

"An Act relating to electronic publication of certain municipal notices and to publication and electronic distribution of reports by state agencies."

- MOVED CSHB 275(CRA) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HB 199

SHORT TITLE: VPSO FIREARMS

SPONSOR(S): REPRESENTATIVE(S) EDGMON

04/04/13 (H) READ THE FIRST TIME - REFERRALS
04/04/13 (H) CRA, STA
01/28/14 (H) CRA AT 8:00 AM BARNES 124
01/28/14 (H) Heard & Held
01/28/14 (H) MINUTE(CRA)
02/04/14 (H) CRA AT 8:00 AM BARNES 124

BILL: HB 223

SHORT TITLE: MUNI TAX EXEMPTION: MIL. FACILITY ZONE

SPONSOR(S): REPRESENTATIVE(S) THOMPSON, ISAACSON, SADDLER, TARR

01/21/14 (H) PREFILE RELEASED 1/10/14
01/21/14 (H) READ THE FIRST TIME - REFERRALS
01/21/14 (H) CRA
02/04/14 (H) CRA AT 8:00 AM BARNES 124

BILL: HB 275

SHORT TITLE: ELECTRONIC DISTRIB. OF REPORTS/NOTICES

SPONSOR(S): REPRESENTATIVE(S) HAWKER

01/24/14 (H) READ THE FIRST TIME - REFERRALS
01/24/14 (H) CRA, STA
02/04/14 (H) CRA AT 8:00 AM BARNES 124

WITNESS REGISTER

REPRESENTATIVE BRYCE EDGMON

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: Spoke as the sponsor of HB 199.

REPRESENTATIVE STEVE THOMPSON

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: Spoke as the sponsor of HB 223.

JIM DODSON, President

Fairbanks Economic Development Corporation

Fairbanks, Alaska

POSITION STATEMENT: Testified in support of HB 223.

REPRESENTATIVE MIKE HAWKER

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: Spoke as the sponsor of HB 275.

KATHIE WASSERMAN, Executive Director

Alaska Municipal League (AML)
Juneau, Alaska

POSITION STATEMENT: Testified in support of HB 275.

ACTION NARRATIVE

[8:01:08 AM](#)

CO-CHAIR GABRIELLE LEDOUX called the House Community and Regional Affairs Standing Committee meeting to order at 8:01 a.m. Representatives Herron, Olson, Reinbold, Nageak, and LeDoux were present at the call to order. Representatives Foster and Herron arrived as the meeting was in progress.

HB 199-VPSO FIREARMS

[8:02:05 AM](#)

CO-CHAIR LEDOUX announced that the first order of business would be HOUSE BILL NO. 199, "An Act relating to Department of Public Safety regulations allowing village public safety officers to carry firearms."

[8:02:26 AM](#)

REPRESENTATIVE BRYCE EDGMON, Alaska State Legislature, speaking as sponsor of HB 199, acknowledged the comments and concerns regarding whether the [VPSO] training regime is sufficient. After speaking with the Department of Public Safety (DPS) and members of the nonprofit community, Representative Edgmon opined that the vetting process will be very thorough in terms of selecting candidates to go to the Academy, and thus would be more than adequate in terms of arming the initial slate of VPSOs.

[8:03:47 AM](#)

CO-CHAIR LEDOUX reminded members that public testimony was closed at the last meeting.

[8:03:56 AM](#)

REPRESENTATIVE REINBOLD related that she had the costs of a new Alaska State Trooper versus the costs of a VPSO. The cost difference is significant such that a VPSO costs hundreds of

thousands less than an Alaska State Trooper. She opined that due to the budget situation, the costs need to be considered.

8:04:33 AM

CO-CHAIR NAGEAK moved to report HB 199 out of committee with individual recommendations and the accompanying fiscal note. There being no objection, HB 199 was reported from the House Community and Regional Affairs Standing Committee.

8:04:58 AM

The committee took an at-ease from 8:04 a.m. to 8:07 a.m.

HB 223-MUNI TAX EXEMPTION: MIL. FACILITY ZONE

8:07:30 AM

CO-CHAIR LEDOUX announced that the next order of business would be HOUSE BILL NO. 223, "An Act authorizing municipalities to exempt or partially exempt for up to 10 years property in a military facility zone that creates or supports industry, development, or educational or training opportunities."

8:07:39 AM

REPRESENTATIVE STEVE THOMPSON, Alaska State Legislature, speaking as sponsor of HB 223, provided the following statement:

HB 223 gives permissive authority for a local government to seek up to 10 years of a full or partial property tax exemption in a military facility zone. Military facility zones were established in the 27th Alaska Legislature with House Bill 316 and they designate areas in close proximity to military bases where industrial or economic development will directly enhance the bases' ability to fulfill its mission. Military facility zones are used in other states as vehicles to obtain and administer funds for business development directly related to a military facility by expansion of infrastructure that benefits both the military and the civilian objectives.

House Bill 223 was drafted after I was approached by the Fairbanks North Star Borough, who is currently working on establishing a military facility zone in the Interior. The needs of each community with a

military facility installation are unique. The bill provides broad authority for a local property tax exemption in a military facility zone to be specifically defined by the individual community to provide the maximum benefits to their installation and to the region.

The military industry in Fairbanks contributes 30 percent of the gross community product and 38 percent of the total labor dollars. Therefore, making a military facility zone, a military base, one of the largest economic drivers in the Fairbanks North Star Borough. The borough narrowly escaped a [Base Realignment and Closure] BRAC attempt of Eielson Air Force Base back in 2005 and recently, there was an attempt and we nearly lost our F-16s off of Eielson. This bill will expand on the financial incentives provided by [House Bill] 316 and it is one more tool for a local government to create better partnerships with the military installations in their community.

This provides support to the missions that the armed services do; it enhances the economic development opportunities; it is there to assist in making Alaska's military installations the best value choice for expansion; and helps defend against potential negative impacts through a future Defense base realignment closure process.

[8:11:29 AM](#)

JIM DODSON, President, Fairbanks Economic Development Corporation, spoke in favor of HB 223, which coupled with House Bill 316, provides communities the ability to compete for the military industry. The military industry in Alaska accounts for 16 percent of Alaska's economy and 17 percent of the state's payroll. In Fairbanks, the military industry accounts for 30 percent of Fairbanks' economy and 38 percent of Fairbanks' payroll. Therefore, the military industry, which is a very competitive industry, is profitable for communities to have. This legislation allows municipalities to recognize the aforementioned and compete for the military industry in their municipality. In closing, Mr. Dodson urged the committee's support.

[8:13:06 AM](#)

CO-CHAIR LEDOUX, upon determining no one else wished to testify, closed public testimony.

[8:13:57 AM](#)

REPRESENTATIVE OLSON remarked that HB 223 is good legislation.

[8:14:33 AM](#)

The committee took a brief at-ease.

[8:14:54 AM](#)

CO-CHAIR NAGEAK moved to report HB 223 out of committee with individual recommendations and the accompanying fiscal note. There being no objection, HB 223 was reported from the House Community and Regional Affairs Standing Committee.

[8:15:13 AM](#)

The committee took an at-ease from 8:15 a.m. to 8:18 a.m.

HB 275-ELECTRONIC DISTRIB. OF REPORTS/NOTICES

[8:18:11 AM](#)

CO-CHAIR LEDOUX announced that the final order of business would be HOUSE BILL NO. 275, "An Act relating to electronic publication of certain municipal notices and to publication and electronic distribution of reports by state agencies."

[8:18:22 AM](#)

REPRESENTATIVE MIKE HAWKER, Alaska State Legislature, speaking as sponsor of HB 275, informed the committee that a couple of years ago House legislation similar to HB 275 died in the final committee of referral in the Senate. This legislation, HB 275, mandates that certain reports prepared by state agencies are distributed electronically rather than published in a paper format and are readily accessible on the state's online public notice system. He acknowledged that the legislature created this problem by mandating that the state agencies produce reports. Rather than doing an inventory of the reports and determining what is or is not of continuing relevance, HB 275 proposes to make publishing of the reports more efficient, effective, and less expensive by using electronic publishing.

Municipalities in the state, specifically the Municipality of Anchorage, have requested the second component of HB 275, which allows municipalities to adopt ordinances that would allow the municipality to post their own public notices on a web site available to the public rather than having to print them in a newspaper of general distribution. Representative Hawker then directed attention to the sectional analysis and reviewed that Sections 1-3 are about the aforementioned municipal provisions. Section 4 adds the electronic reports of state agencies to the list of items to be placed on the state's online public notice system maintained by the lieutenant governor. Section 5 addresses the electronic distribution and posting. He then emphasized that it's difficult to know the impact of the mandate in HB 275 on each state agency. Therefore, the legislation includes particular exceptions on page 5, lines 1-6. The language on page 5, lines 13-17, specifies that the use of a professional contracted photographer [for the graphic design and photographs] of the report is only allowed if no other qualified agency employee is available or if it would be cheaper to hire a contractor. He then reviewed the definitions provided on page 5, lines 18-26. He noted that HB 275 includes two fiscal notes, including one from the Office of the Lieutenant Governor that specifies HB 275 can be implemented with no additional changes for use of the online public use system. The second fiscal note specifies that HB 275 creates no cost to the state, but will have cost savings albeit an unknown amount.

[8:28:42 AM](#)

REPRESENTATIVE HERRON related his understanding that HB 275 implies that municipalities can publish both the newspaper and electronic public notice.

REPRESENTATIVE HAWKER explained that the concept is to empower municipalities to make the decision because statute already specifies that municipalities must publish notice in newspapers of general circulation. He stated his belief in the state not making mandates. This legislation doesn't mandate that every municipality in the state subject to these publication notices establish an Internet web site. In specific response to Representative Herron, Representative Hawker confirmed that municipalities can both [publish the notice in a newspaper and electronically].

[8:30:18 AM](#)

REPRESENTATIVE HERRON referred to the language on page 2, lines 23-24, which read: "a municipality may by ordinance provide for electronic publication by posting the notice for three consecutive weeks on a municipal Internet website accessible to the public". He then asked if the language could be changed to refer to 21 consecutive days.

REPRESENTATIVE HAWKER answered that [the committee could change the language] to whatever suits its pleasure.

[8:30:48 AM](#)

REPRESENTATIVE HERRON asked if there has been any push back from small businesses in terms of a reduction in the advertising of small businesses.

REPRESENTATIVE HAWKER pointed out that this is the first committee of referral for HB 275 and he hasn't received any push back at this time. However, he noted his expectation to hear from those entities that run the publishing corporations as it's in their best interest to have special interest legislation supporting their business, although he wasn't sure it's in the [state's] best interest to do so.

[8:31:41 AM](#)

REPRESENTATIVE REINBOLD characterized HB 275 as a positive step, noting that the private sector has already been addressing such matters.

REPRESENTATIVE HAWKER commented that HB 275 addresses just the tip of the iceberg, but is a realistic and appropriate place to start.

[8:32:27 AM](#)

REPRESENTATIVE FOSTER agreed with the sponsor regarding the thick annual reports and fancy photographs that aren't necessary. However, he expressed concern with those rural communities that don't have access to the Internet. Therefore, he inquired as to the sponsor's thoughts on the aforementioned situation and perhaps exempting those communities of certain smaller size.

REPRESENTATIVE HAWKER said although he shares Representative Foster's concern, he believes the permissive nature of HB 275 accommodates that concern. The legislation exempts those

communities that want to be exempted while empowering those that wish to utilize the Internet for online publications. Representative Hawker clarified that he doesn't want to guess the needs or wishes of any communities, which is why HB 275 is permissive and doesn't impose a mandate on either side of the issue.

[8:35:49 AM](#)

CO-CHAIR LEDOUX posed a scenario in which there is a foreclosure and related her assumption that the individual who is being foreclosed on would receive written notice through the postal service not just Internet notice.

REPRESENTATIVE HAWKER clarified that HB 275 only addresses the municipal entity that might be foreclosing posting notice of redemption periods and such and has nothing to do with the legal process of executing a foreclosure. He further clarified that all of the legal actions and notices required to be delivered to the involved parties are unaffected by HB 275, only municipalities' publishing public notices regarding that activity are impacted.

[8:37:17 AM](#)

REPRESENTATIVE FOSTER then expressed concern that the proposal in HB 275 changes public notice to a public search.

REPRESENTATIVE HAWKER said that he holds that concern as well. In conversations with [the operator of] the online public notice system, he said the concept would be that they would publish the notice and maintain an index that would make it easier to locate and identify these reports. He emphasized that it's incumbent upon the state to continue to recognize the need to make this information readily accessible to the public in a format that is intuitive and easy to access.

[8:39:41 AM](#)

CO-CHAIR LEDOUX opened public testimony.

[8:42:06 AM](#)

KATHIE WASSERMAN, Executive Director, Alaska Municipal League (AML), thanked Representative Hawker for sponsoring HB 275, particularly as it provides communities the ability to decide what works best for them. She acknowledged Representative

Foster's concerns, but pointed out that the smaller the communities, the more contact the city employees have with the public on a day-to-day basis. Therefore, when something isn't properly posted [in smaller communities], one suffers mightily for it. Ms. Wasserman noted that the majority of her job is spent helping municipalities operate more efficiently and effectively. She opined that although the proposal in HB 275 may be ahead of its time for some of the smaller communities, it is needed and AML stands ready to help communities work through this proposal. In conclusion, Ms. Wasserman related support for HB 275.

[8:44:56 AM](#)

CO-CHAIR LEDOUX, upon determining no one else wished to testify, closed public testimony.

[8:45:13 AM](#)

REPRESENTATIVE HAWKER noted his appreciation for the committee's consideration of HB 275.

[8:45:30 AM](#)

CO-CHAIR LEDOUX remarked that she really likes HB 275.

[8:46:14 AM](#)

REPRESENTATIVE HAWKER, speaking to an amendment included in the committee packet, acknowledged that the language "without a specific request" on page 5, lines 20-21, is a bit vague. The language is meant to address those things agencies generate that one doesn't call up and request. There was the thought that the language might be redundant because the language on page 5, lines 5-6, provides the head of an agency or its designee to operate its agency. Representative Hawker said he had no problem with passing the amendment.

[8:47:40 AM](#)

REPRESENTATIVE REINBOLD moved to adopt the following amendment, labeled 288-LS0999\C.1, Nauman, 1/31/14:

Page 5, lines 20 - 21;

Delete "without a specific request"

CO-CHAIR LEDOUX objected for discussion purposes. There being no discussion, Co-Chair LeDoux withdrew her objection.

There being no further objection, the amendment was adopted.

[8:48:12 AM](#)

CO-CHAIR NAGEAK moved to report HB 275, as amended, out of committee with individual recommendations and the accompanying fiscal note. There being no objection, CSHB 275(CRA) was reported from the House Community and Regional Affairs Standing Committee.

[8:48:43 AM](#)

ADJOURNMENT

There being no further business before the committee, the House Community and Regional Affairs Standing Committee meeting was adjourned at 8:48 a.m.