

HOUSE FINANCE COMMITTEE  
February 12, 2014  
1:37 p.m.

1:37:06 PM

CALL TO ORDER

Co-Chair Stoltze called the House Finance Committee meeting to order at 1:37 p.m.

MEMBERS PRESENT

Representative Alan Austerman, Co-Chair  
Representative Bill Stoltze, Co-Chair  
Representative Mark Neuman, Vice-Chair  
Representative Mia Costello  
Representative Bryce Edgmon  
Representative Les Gara  
Representative David Guttenberg  
Representative Lindsey Holmes  
Representative Cathy Munoz  
Representative Steve Thompson  
Representative Tammie Wilson

MEMBERS ABSENT

None

ALSO PRESENT

Representative Wes Keller; Don Brand, Alaska Legislative Liaison, Juneau.

PRESENT VIA TELECONFERENCE

Stan Leaphart, Executive Director, Citizen's Advisory Commission on Federal Areas; Thom Buzard, Director Convention of States, Juneau; Zabrina Byfuglien, Tri-Valley High School, Healy; Taylor Hancock, Tri-Valley High School Government Class, Healy; Isabella Saxe, Tri-Valley High School, Healy; Julia Nelson, Tri-Valley High School, Healy; LTC Roy Carlson, Self, Wasilla; Dr. David Eichler, Convention of State Organization, North Pole; Michael Farris, Director Convention of the States, Virginia.

SUMMARY

HJR 22 FEDERAL CONSTITUTIONAL CONVENTION

HJR 22 was HEARD and HELD in committee for further consideration.

HB 244 ADVISORY COMMISSION ON FEDERAL MGT AREAS

HB 244 was REPORTED out of committee with a "do pass" recommendation and with a previously published fiscal impact note: FN1 (DNR).

#hb244

HOUSE BILL NO. 244

"An Act extending the termination date of the Citizens' Advisory Commission on Federal Management Areas in Alaska; and providing for an effective date."

[1:37:26 PM](#)

Co-Chair Stoltze noted the birthday of President Abraham Lincoln.

REPRESENTATIVE WES KELLER introduced the bill with a brief description. He stated that the Constitution advised the use, conservation and the development of natural resources. He informed the committee that Alaskans had rights related to their natural resources. The rights were defined and laid out in both federal and state levels. He experienced an erosion of the rights in Alaska, with 66 percent owned by the federal government. He stated that the Citizens' Advisory Commission on Federal Areas' (CACFA) was involved in multiple issues, including the right to access Alaska's resources, water rights, personal use, substance, mineral development, access to rural cabins, management of fish and game and transportation planning. He noted that CACFA retained a good working relationship with federal agencies operating in Alaska. He noted that the annual report laid out the efforts of CACFA. He mentioned a CACFA conference about federal overreach including invited testimony. All testifiers were required to present a solution. The testimony was captured on record and available by transcript online.

[1:44:13 PM](#)

Representative Keller described the commission. Regulations that eroded rights were carefully tracked. He noted that Stan Leaphart worked hard to track the various agencies. He detailed the recent critical habitat label of the Cook Inlet that resulted from the Endangered Species Act. He explained that the furlough prevented response from the federal agencies regarding the summit's findings.

[1:46:45 PM](#)

Representative Keller noted the names of the Citizen's Advisory Commission on Federal Areas. The members worked on a volunteer basis in Anchorage. He listed the members as Rod Arno, Senator John Coghill, Mark Fish, Teresa Hanson, Charlie Lean, Kathleen Liska, Mike Meekin, Warren Olsen, Ron Somerville, Susan Smith, Frank Woods, and himself. He spoke to the commitment of his fellow members.

Representative Keller stated that the bill moved the commission's sunset date to 2021.

Co-Chair Stoltze added that the budget would continue to support the commission if a decision was made to extend it.

[1:48:31 PM](#)

STAN LEAPHART, EXECUTIVE DIRECTOR, CITIZEN'S ADVISORY COMMISSION ON FEDERAL AREAS (via teleconference) testified on behalf of the legislation. He had 8 of the 12 commission members with him working on a follow-up for the August summit. The group refined the recommendations seen in the annual report. He pointed out that the commission had invited federal agency representatives to gather in October, but the national government's furlough prevented the meeting. He met with regional directors of the United States National Park Service, the Bureau of Land Management, the United States Forest Service and the Secretary of the Interior Special Assistant.

Mr. Leaphart informed the committee that the commission shared the transcript from the summit with a request for feedback. The commission did receive feedback from the United States National Park Service. He pointed out that work with federal issues was increasing daily. He noted four major management plans that were underway. The plans

would dictate the uses of the lands by the stakeholders. He noted interest in the stakeholder's concerns.

1:51:20 PM

Representative Gara asked about the number of personnel working in Mr. Leaphart's office.

Mr. Leaphart replied that two people worked in his office. He stated that the office served the general public by answering pertinent questions. Employees also reviewed proposed management plans. The work load involved reviewing the National Park Service Compendium. Attendance for meetings involving federal agencies and the public comprised another piece of the workload. The office monitored the activities of the four major federal land management agencies.

Co-Chair Stoltze noted one full-time and one part-time position listed in the fiscal note.

Mr. Leaphart replied that the part-time position worked full time for nine months.

Representative Gara asked how the \$285 thousand was spent.

Co-Chair Stoltze referred to the fiscal note.

1:53:49 PM

Representative Gara clarified that \$230 thousand was spent on salary for one and one-half positions.

Mr. Leaphart clarified that the \$230 thousand covered one and three-quarters positions.

Vice-Chair Neuman asked about the recommendations made to the legislature. He wondered which recommendations were acted on and implemented in the last couple of years.

Mr. Leaphart replied that the commission made recommendations regarding a local hire program, which involved working with a congressional delegation to make changes in the program. The program employed several hundred Alaskans seasonally. Although the program did not involve action by the legislature, it involved action by the congressional delegation. He mentioned a new task force

assembled by the Bureau of Land Management addressing placer mining policy.

[1:56:08 PM](#)

Vice-Chair Neuman explained that he wanted to know about the commission's accomplishments.

Co-Chair Stoltze considered it an accomplishment to stop a federal process. He wondered if the commission had halted a federal process.

Representative Keller replied that he took testimony from around the state regarding federal overreach. Some successes involved interactions with federal agencies. Policy changes were made as a result. He noted that Mr. Leaphart worked with state agencies such as Department of Natural Resources.

Representative Keller stated that recommendations were made by the commission regarding federal lawsuits. He acknowledged that the Department of Law did not always heed recommendations made by CACFA.

[1:58:53 PM](#)

Representative Guttenberg asked about the address, 3700 Airport Road.

Mr. Leaphart replied that the 3700 Airport Road was located at the corner of University Avenue and Airport Way.

Representative Guttenberg applauded the commission's work on the wood bison. He found some federal recommendations inconsistent. He wondered if the issues were voted on by the members.

Representative Keller replied that both the annual report and a report on the summit were included in the committee back up. The report did not include commission endorsements.

Representative Guttenberg stated that reports generally included majority votes.

[2:01:21 PM](#)

Representative Gara noted mention of recommending litigation and fighting federal overreach. He understood that the governor also supported the movement. He asked what the commission was doing to enhance the governor's efforts.

[2:02:38 PM](#)

Mr. Leaphart clarified that the commission worked closely with ANILCA (Alaska National Interest Lands Conservation Act). The program reviewed similar management plans and regulations and weighed them against the effect of the state's management prerogatives. He mentioned the commission's newsletter and website. The information was available to stakeholders and public groups in an effort to incorporate their views. He provided an example related to a bath house in the Tongass National Forest.

[2:04:21 PM](#)

Co-Chair Stoltze viewed the commission in the same way that he viewed the Minerals or Forest Advisory Commissions. He suggested that the state would engage in fewer lawsuits and press releases about them with less federal overreach. He noted that the state was in a reactive mode.

Co-Chair Stoltze closed public testimony

[2:05:28 PM](#)

Representative Costello discussed FN 1 from the Department of Natural Resources for \$285,300 from FY 15 through FY 20 for one full-time and one part-time position.

Vice-Chair Neuman MOVED to REPORT HB 244 out of committee with individual recommendations and the accompanying fiscal note. There being NO OBJECTION, it was so ordered.

HB 244 was REPORTED out of committee with a "do pass" recommendation and with a previously published fiscal impact note: FN1 (DNR).

[2:06:46 PM](#)

#hjr22

HOUSE JOINT RESOLUTION NO. 22

Requesting the United States Congress to call a convention of the states to propose amendments to the Constitution of the United States that impose fiscal restraints on the federal government, limit the power and jurisdiction of the federal government, and limit the terms of office of federal government officials; and urging the legislatures of the other 49 states to request the United States Congress to call a convention of the states.

2:07:17 PM

Representative Wilson, sponsor read the sponsor statement.

It is the solemn duty of the states to protect the liberty of its people, particularly for the generations to come, to propose amendments to the Constitution of the United States through a convention of the states under the article V to place clear restraints on these and related abuses of powers.

Article V, U.S. Constitution states: "The Congress, whenever two thirds of both houses shall deem it necessary, shall propose amendments to this Constitution, or, on the application of the legislatures of two thirds of the several states, 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, or by conventions in three fourths thereof, as one or the other mode or ratification may be proposed by the Congress; provided that no amendment which may be made prior to the year one thousand eight hundred and eight shall in any manner affect the first and fourth clauses in the ninth section of the first article; and that no state, without its consent, shall be deprived of its equal suffrage in the Senate."

By calling a convention of states, we can stop the federal spending and debt spree, the power grabs of the federal courts, and the other misuses of federal power. The current situation is precisely what the Founders feared, and they gave us a solution we have a duty to use.

2:08:53 PM

Representative Wilson noted many misconceptions regarding the Convention of States. She highlighted the fact that the country's forefathers predicted the potential for government to get out of control. The legislation would allow the states to commune about concerns. She relayed an incident in Chicken Alaska where the Environmental Protection Agency (EPA) intervened in family mining operations. She noted that three-fourths of the state must arrive at a resolution with such similar intent that Congress would have clarity about the state's desires. Each state would have one vote.

Representative Wilson continued that 38 states must ratify the amendment. She opined that the federal government was out of control. Increased regulations heightened the difficulty, particularly in Alaska. She stated that she was tired of all of the regulations and was ready to fight back. She revealed that a group of passionate students from Healy provided testimony in an earlier committee hearing.

2:11:49 PM

DON BRAND, ALASKA LEGISLATIVE LIAISON, JUNEAU, testified in support of the legislation. He lamented that he no longer recognized his country. He witnessed many decisions that he deemed limiting to liberty, individual freedom and an example of an out-of-control federal government. He expressed fear. He discussed a book called "The Liberty Amendments" by Mark Levin. The book described the Article V process for proposing amendments to the Constitution. He stated that the book proposed a set of amendments to address the situation facing the United States.

Mr. Brand discussed his introduction to the organization known as the Convention of States Project. He noted that the Citizens for Self Government were the parent organization. The role of the project was to urge and empower state legislators to call a convention of States to propose amendments to the Constitution to limit the powers of the federal government. He pointed out that the organization was attempting to build grass roots and consisted of volunteers. He noted that the organizations existed in 40 states. He volunteered to help and was deemed the Alaska legislative liaison for the organization.

Mr. Brand urged the committee to support Representative Wilson's resolution, which followed the model proposed by the Convention of States. The resolution differed from past approaches in two significant ways. The resolution did not call for a specific amendment. He noted over 400 attempts to call for a Convention of States by the states. He stated that the 34 state thresholds were never met. He pointed out that it was difficult to have 34 states agree to the same wording for their proposed amendment. He suggested that a working group environment might enable a successful process among the 34 states.

[2:17:41 PM](#)

Mr. Brand explained that the Convention of States project would enable the introduction of the same resolution for at least 34 states. The effort yielded drafted resolutions for 10 states. The organization hoped to add more states. He noted moderate success when introduced. He stated that the resolution passed the Senate of the Georgia legislature. He hoped that Alaska would follow with the passage of the resolution before the committee.

Mr. Brand stated that the movement was gathering momentum. He believed that the resolution would address the problem. He stated that different views and approaches could be included by states with a different area of concern or interest.

[2:19:17 PM](#)

Representative Gara highlighted former Senator Ted Stevens who was recognized as a statesman who brought money to Alaska with the goal of building infrastructure. He noted that the federal contributions were responsible for substantial employment in Alaska. He asked about the fiscal restraints listed in the bill. He asked how much ought to be cut from federal funds received by the state.

Mr. Brand replied that he did not have an idea about how much should be cut. He was concerned about his grandchildren. He did not have dollar amounts.

[2:21:02 PM](#)

Representative Gara noted the bill's wording requesting fiscal restraints. He pointed out the limits on the power

and jurisdiction of the federal government. He wondered why the bill allowed Congress the leeway to expand spending, when the goal was to contract it.

Mr. Brand replied that the words were intended to affect the Convention of States that might be compiled as a result of 34 similar resolutions. The purpose of the delegates or commissioners at the convention was to interpret the meaning of the words. He acknowledged that some states might view the situation as an opportunity to increase the limits rather than reduce them. He added that 38 states must agree to create a formal amendment, recognized as part of the Constitution. He believed that an ample amount of states would agree with the idea of increased federal authority or increased federal spending limits.

Co-Chair Stoltze appreciated the mention of Alaska's loss of former Senator Ted Stevens.

[2:23:32 PM](#)

Representative Guttenberg asked if Alaska passed the resolution along with 34 other states, how similar would the legislation be required to read. He asked if Congress would be required to call the convention.

Mr. Brand pointed to the Article V description included in committee members' packets. He read "or on the application of the legislature should two-thirds of the several states, Congress shall call a convention." He stated that Congress would not have a choice. If Congress neglected to call the convention, there would be grounds for judicial action. He was sure that the Supreme Court would pursue the case quickly. He believed that the language in Article V regarding the roles and responsibilities of Congress.

[2:25:45 PM](#)

Representative Guttenberg asked how the allocation of delegates worked. He wondered about Alaska specifically.

Mr. Brand replied that the representation to a convention of states would be determined by the Alaska legislature. Legislators could choose as many or few delegates as they wished. He understood that precedence existed. Each state receives one vote, regardless of the number of representatives. For the completion of the ratification

process Congress is able to determine whether the vote is directly a legislative vote or a state convention.

[2:28:03 PM](#)

Representative Guttenberg asked about the convention's agenda. He was not sure whether the legislative representatives called the final vote or whether a public vote was indicated.

Mr. Brand replied that the delegates at the convention were authorized to represent and to vote as the state's representative.

Representative Wilson explained that a bill from the legislature would determine the selection of the delegates. She stated that the convention would provide an agenda with votes from the states present. At least 34 of the states would be required to approve the agenda. Congress would then approve the agenda. If Congress chose not to approve, the bill would return to the state legislatures requiring 38 of the state legislatures must ratify it.

Representative Guttenberg pointed out that authorizing legislation was in progress.

[2:30:09 PM](#)

Representative Munoz asked if 34 states passed the resolution but the variety of subjects covered was not consistent.

Mr. Brand replied that all 34 must agree on the variety of subjects for the process to continue to ratification.

Representative Wilson added that the resolutions must be very similar. The 34 resolutions must be judged by Congress for similar intent.

[2:31:54 PM](#)

Representative Munoz asked how many states were debating similar resolutions.

Representative Wilson replied 10 different states.

Representative Munoz asked if a state passed a resolution, how long was it effective.

Mr. Brand responded that the resolution was open-ended, it would last forever.

[2:33:00 PM](#)

Representative Edgmon pointed out a recent bill passed by the committee requiring schools to teach the merits of the Constitution. He found irony in the resolution before the committee. He stated that the partisan gridlock in Washington DC included both parties. He thought that a true Constitutional convention might be contentious. The United States was built on the ideals of democracy and was the envy of the rest of the world. He wondered if it was the nature of politics that was really the culprit, rather than the founding principles of the counties. He saluted the flag when on the House Floor for good reasons. He thought that the bill might provide the wrong target.

[2:34:49 PM](#)

Representative Wilson replied that the resolution did not open the entire Constitution. She stressed that congress was out of control and citizens had no way to fight back. She stated that the EPA had caused multiple hardships in her district. She offered to help Representative Edgmon to better understand her ideals. If the Constitution was to remain unaltered, why would the founding fathers include Article V? She opined that that the inclusion was available to retain control. She wished to pass the resolution in Alaska to send a message to Congress. She stressed that the federal government had a direct negative effect on Alaska's constituents. She believed that the Constitution was a working document.

Representative Edgmon appreciated Mr. Brand's passion. He remained unconvinced that the resolution before the committee was the answer. He believed that the problem was political in nature. He supported amending the Constitution on a case-by-case basis, but the idea of a Constitutional Convention frightened him.

Mr. Brand noted a difference between a Constitutional Convention and the proposed call for a Convention of States for the purpose of defining amendments. A Constitutional

Convention involved writing a constitution, while a Convention of States had the purpose of writing amendments. He hoped to reenergize the Constitution. He was also frustrated with the politics in Washington DC as described by Representative Edgmon. He was most bothered by the interpretation of the Constitution that had diluted the original intent. He highlighted the good and welfare clause and the commerce clause, which he opined were stretched beyond breaking point by a Congress hoping to take responsibility for matters that were not designated powers.

Mr. Brand noted that powers that were not delegated to Congress were reserved for the states. He hoped to see a renewal of state control to prevent a continued expansion of Congress' power. He stated that the executive branch, the regulatory agencies and the Supreme Court were not exempted from the drive to overreach. He was troubled by the fact that five unelected individuals determined the law without appeal in the United States. He noted that if a controversial Supreme Court decision was made, through the proposed resolution, an appeal to the state for a supporting or opposing vote was possible.

[2:41:30 PM](#)

Co-Chair Austerman echoed the opinion of Representative Edgmon, regarding the resolution's writing. He agreed that the federal government was out of control in regard to money management. He hesitated to approve a resolution that limited the power or jurisdiction of the federal government. He believed that policies changed at the whim of those in power. He discussed the pros and cons of term limits. He commented that the state level experienced similar problems. He hoped for further conversations before moving the bill out of committee.

[2:42:57 PM](#)

Co-Chair Stoltze appreciated the work of the testifier.

Representative Guttenberg echoed the sentiment of Co-Chair Stoltze.

THOM BUZARD, DIRECTOR CONVENTION OF STATES, JUNEAU (via teleconference) responded to Representative Gara's question regarding the loss of federal funds in Alaska. He noted that the Alaska economy would be better able to develop

without the heavy weight of the federal government. He opined that the federal restrictions slowed the growth in Alaska making it possible for permanent funds for gas, water and mineral exports. He wished to separate the notion of a Constitutional Convention from that of the legislation's intended Convention of States. He pointed out that a Convention of States would be restricted to the topic included in the resolution. He had the responsibility of drumming-up support for the hearings. He had difficulty collecting the support because people were afraid to talk negatively about the government. He listed multiple agencies that terrified people such as the Internal Revenue Service, the National Security Agency, the Environmental Protection Agency, the Department of Environmental Control and the Bureau of Alcohol, Tobacco and Firearms. He stated that the country's founders believed that a government that was afraid of the people provided freedom and liberty, but people afraid of their government reigned tyranny.

Co-Chair Stoltze joked that he drove a Jeep Patriot and was not afraid of the National Security Agency.

Mr. Buzzard stated that the federal government was out of control. He referred to the book "The Liberty Amendments," which discussed placing the power back into the hands of the state legislatures. The states created the central government and ought to have the power renewed.

[2:49:49 PM](#)

ZABRINA BYFUGLIEN, TRI-VALLEY HIGH SCHOOL, HEALY (via teleconference) testified with a group from her school that collaborated to provide the testimony. She and her cohorts believed that the United States was intended to be a Constitutional Republic, but was turning into a democracy. She stressed that the decay of the Constitutional Republic was not a political issue. She believed that the decay had happened for nearly a century. In 1913, the 17th amendment was implemented, referring to the popular election of Senators. State legislators were once responsible for electing senators. Amendment 17 gave the largely uneducated public elective power over the Senate. The amendment decreased the state's power. The Senate used to represent the states because they were chosen by the state legislature.

[2:54:04 PM](#)

TAYLOR HANCOCK, TRI-VALLEY HIGH SCHOOL GOVERNMENT CLASS, HEALY (via teleconference), testified in support of the legislation. He noted that the main purpose of the Constitution was to preserve the sovereignty of the state and to keep the federal government checked and balanced and strictly under the enumerated powers given. The General Welfare and Commerce Clause were used as tools to make the Constitution a living document. The country's founding fathers did not intend the Constitution as a living document.

[2:58:02 PM](#)

Mr. Hancock continued that the Constitution enumerated certain powers for the federal government. Many powers not enumerated in the Constitution were reserved for the states. He noted that Congress often used the commerce clause to justify existing legislative power over the activities of the states and their citizens leading to significant controversy regarding the balance of power between the federal government and the states. The federal government was involved in areas that were not within their jurisdiction such as health care, social security and education.

[2:59:10 PM](#)

ISABELLA SAXE, TRI-VALLEY HIGH SCHOOL, HEALY (via teleconference), testified in favor of the legislation. She opined that a Convention of States was needed because the government had overstepped its bounds. She expounded on the two methods of amending the constitution. In the less common process, amendments were proposed by a Convention of States and called at the request of two-thirds of state legislatures. Neither process allowed for a Constitutional Convention. She hoped to dispel the fear of a runaway Constitutional Convention by informing about checks and balances available in the resolution.

[3:02:45 PM](#)

JULIA NELSON, TRI-VALLEY HIGH SCHOOL, HEALY (via teleconference), testified in favor of the legislation. She discussed America's debt and regulatory crisis. Congress could not continue to act as if there was an unlimited source of income for their whims. She quoted Thomas

Jefferson, "We must not let our rulers load us with perpetual debt." She testified to stop the unconstitutional spending. She clarified that her testimony was not reflective of a political party, but was solely constitutional.

[3:06:01 PM](#)

LIEUTENANT COLONAL ROY CARLSON, SELF, WASILLA (via teleconference) testified as a retired US Army retired colonel. He expressed a non-partisan view of concern about a practice that occurred with the federal government for many years. During the Constitutional Convention, it was argued that the amendment process did not address the possibility of an out-of-control federal government. The founders recognized that Congress would not pass an amendment limiting their own power, so another amendment was added to amend the Constitution and put the power in the hands of the state legislatures. He mentioned other countries that experienced tyrannical governments such as Russia and Cuba, whose citizens warned Americans about the future problems predicted as a result of the United States' government and its use of "soft tyranny." He stressed that Article V was the way to stop tyranny by the rule of law, rather than a revolution.

Co-Chair Stoltze asked the testifier to stop him and say hello in Wasilla.

[3:11:38 PM](#)

DR. DAVID EICHLER, CONVENTION OF STATE ORGANIZATION, NORTH POLE (via teleconference), testified in favor of the legislation. He reminded the committee that Article V would allow them to fix the broken federal government.

[3:12:33 PM](#)

MICHAEL FARRIS, NATIONAL DIRECTOR CONVENTION OF THE STATES, VIRGINIA (via teleconference) testified as a constitutional lawyer and professor. He was the principal draftsman of the resolution before the committee. He noted that similar legislation was moving in other states. He referred to the students' testimony and complimented the information conveyed to the committee. He questioned the interpretation of the Constitution by the Supreme Court. He surmised that the Constitution of States process of amending the

Constitution would allow for the original intent of the founding fathers. He stated that the EPA tyrannized many Americans and was a misuse of the commerce clause. The resolution's language was appropriately broad, but would gain in specificity before becoming law. The language in the resolution defined the agenda in the Convention of the States. The language for the Constitution would be drafted at the Convention of the States. The final language would be ratified by state legislatures, who would determine terms and provisions. The creation of the convention was necessary to progress toward details.

[3:18:27 PM](#)

AT EASE

[3:19:03 PM](#)

RECONVENED

Co-Chair Stoltze stated that committee members wished to debate the bill further.

Representative Wilson reiterated that the resolution was only the first step in the process. She noted that the next step would include determining delegates for Alaska. A choice could be made to participate in some issue, while leaving others alone. She stated that the Constitution had been amended in the past by Congress. The resolution permitted a method of control for the states.

Co-Chair Stoltze respected all the divergent views.

HJR 22 was HEARD and HELD in committee for further consideration.

#

ADJOURNMENT

[3:22:34 PM](#)

The meeting was adjourned at 3:22 p.m.