

HOUSE FINANCE COMMITTEE  
March 25, 2014  
7:04 p.m.

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CALL TO ORDER

Co-Chair Stoltze called the House Finance Committee meeting to order at 7:04 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

Daniel George, Staff, Representative Bill Stoltze; Darrell Breese, Staff, Representative Bill Stoltze; Representative Shelley Hughes, Sponsor; Michael Hanley, Commissioner, Department of Education and Early Development.

SUMMARY

HB 210 STUDENT RESTRAINT, SECLUSION, PSYC DRUGS

CSHB 210(FIN) was REPORTED out of committee with a "do pass" recommendation and with one previously published fiscal impact note: FN1 (EED).

HCR 15 TASK FORCE ON UNMANNED AIRCRAFT SYSTEMS

CSHCR 15(FIN) was REPORTED out of committee with a "do pass" recommendation and with one new fiscal impact note from the Legislature.

HJR 18 CONST. AM: ELECTED ATTORNEY GENERAL

CSHJR 18(FIN) was REPORTED out of committee with "no recommendation" and with one previously published zero fiscal note: FN1 (LEG); and one previously published fiscal impact note: FN2 (GOV).

#hjr18

HOUSE JOINT RESOLUTION NO. 18

Proposing amendments to the Constitution of the State of Alaska relating to the office of attorney general.

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Co-Chair Stoltze discussed the meeting agenda.

Representative Costello MOVED to ADOPT the proposed committee substitute for HJR 18, Work Draft 28-LS1216\N (Bullard, 3/19/14).

Co-Chair Stoltze OBJECTED for discussion.

DANIEL GEORGE, STAFF, REPRESENTATIVE BILL STOLTZE, explained the changes in the CS. Page 1, line 16 through page 2, line 1 added the following sentence: "the attorney general shall be a citizen of the United States, a qualified voter of the State, and a resident of Alaska." The language "to meet the qualifications of a superior court judge" had been removed from page 2, line 2; the sentence had been changed to the following: "A person is not eligible to serve as attorney general unless the person is an active member of the organized state bar." Subsection (c) had been added to the bill on page 2, lines 9 through 19. He detailed that the subsection included the same election procedures for filling a vacancy in the U.S. House and Senate.

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Co-Chair Stoltze noted that the subsection pertained to special elections and included identical language that had been approved by voters in 2004.

Co-Chair Stoltze WITHDREW his OBJECTION. There being NO further OBJECTION, Workdraft 28-LS1216\N was ADOPTED.

Representative Holmes wondered if it was appropriate to insert the language "in good standing" following the new sentence "A person is not eligible to serve as attorney general unless the person is an active member of the organized state bar" (page 2, lines 1 through 3).

Co-Chair Stoltze discussed that the intent was to determine if there was support to address the bill on the House floor.

Representative Gara noted that currently the attorney general (AG) represented the governor and state agencies. He understood the intent was to have the AG represent the people of Alaska. He wondered if another attorney would be appointed to represent the governor and agencies.

Co-Chair Stoltze noted that it was a possibility. He determined that there may be an AG and governor with a concomitance of opinion. However, he believed it was likely that the governor may want his/her own attorney. He noted that the U.S. president had at least one special attorney. He surmised that the governor had sufficient funds to figure out a solution.

Representative Gara wondered whether the elected AG would represent state agencies. He supposed the legislature would determine funding for the AG's staff. He pointed to situations where the AG and legislature were of a different political persuasion.

Co-Chair Stoltze answered that the legislature would determine funding for the AG's staff much like it did currently. He believed the AG would work for the people and would have the same interest for state agencies. He could not predict whether conflicts may emerge. He remarked that there would be independence. He opined that there would always be politics in any appointed or elected position. He added that the change would be "new ground."

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Representative Holmes noted that many states had elected AGs. She wondered how other states handled the issue. She believed approximately half the states had an elected AG versus an appointed AG.

Co-Chair Stoltze clarified that 43 states had elected AG's. Currently Alaska, New Jersey, and several other states had governor appointed AG's.

DARRELL BREESE, STAFF, REPRESENTATIVE BILL STOLTZE, responded to Representative Gara's questions. He explained that AG duties were listed in statute and could be adjusted by the legislature at any time. He detailed that if the constitutional amendment became law, the legislature could change the AG duties with future legislation.

Co-Chair Stoltze added that the AG would still take the same constitutional oath.

Mr. Breese replied to Representative Holmes's question and relayed that 43 states had elected AG's. He elaborated that some states had a general counsel position that solely represented the governor and state agencies (e.g. Pennsylvania and Virginia); the AG in these states represented the people and the legislative body. Structures varied widely by state. For example, in New Mexico it was up to the governor to hire special representation.

Representative Wilson spoke in support of the bill. She believed the change would make the AG the people's attorney. She stated that currently the public had to go through a legislator's office or the governor.

Co-Chair Stoltze remarked that the bill represented one step. He stressed that the constitutional amendment was not about a specific AG or governor; it represented a permanent systemic change.

Representative Wilson commented that the majority of people thought the AG was a representative of the people.

Co-Chair Stoltze stated that the issue was about what was best for Alaska.

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Representative Costello asked if AG candidates would campaign, receive contributions, file with the Alaska Public Offices Commission, and follow the same rules as legislative candidates.

Co-Chair Stoltze replied in the affirmative. He relayed that the AG would be elected in the same manner as the other two constitutional officers (i.e. governor and lieutenant governor). There could be other statutory changes related to the AG.

Representative Costello asked if there would be any conflict of interest related to individuals trying to influence the actions of the AG by way of monetary contributions in an election.

Co-Chair Stoltze surmised that it would be the same morality as having a governor who would deliver the AG vote. He believed the state had been fortunate in its political process yielding honorable people. There had been some "black spots" on the way, but he believed the average person did not seek to get wealthy in the office and most were not successful at it.

Representative Costello could foresee a different type of individual wanting to fill the position if the constitutional amendment passed. The individual would need to self-select and run for office. She believed the change would be significant; currently the governor and lieutenant governor positions were the two positions elected statewide. She wondered how many AGs ran for governor in states with elected AGs.

Co-Chair Stoltze commented that some people jokingly referred to the National Association of Attorneys General as the National Association of Aspiring Governors.

Mr. Breese answered that the University of Virginia, Center of Politics had done a study in 2010 looking back over the prior 25 years. During the period of study 28 of the 250 AGs had become governors (11 percent); whereas, 22.4 percent of the lieutenant governors had succeeded in running for governor.

Representative Costello appreciated the information, but noted that it was not indicative of the number of AGs who had actually run for governor.

Representative Munoz referred to information on Alaska's constitutional convention included in member's packets (copy on file). She asked about the constitutional convention debate that had centered on the issue.

Mr. Breese replied that the debate had been whether to have a strong executive. The executive committee had considered an amendment that would have made the AG an elected position, but it had not received adequate votes from the convention as a whole. The executive committee had been under the impression that they wanted a strong executive in leadership. He noted that prior to the convention all of the AGs from the territorial government had been elected positions. He continued that territorial Senator Bill Egan had wanted a strong executive with the exception of an elected AG; he did not want the state to have a governor that ran amuck.

Co-Chair Stoltze added that the information [related to Senator Bill Egan] had been included in a November 7, 1955 article.

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Representative Munoz asked if making the AG an elected position weakened the governor's office.

Co-Chair Stoltze asked whether it weakened the governor or strengthened the people. He believed the change would strengthen the public's confidence in the process. He surmised that the office would be weakened in the sense that the governor would no longer have the ability to direct the AG to make an executive act. He stated that unlike a regulatory ruling, the AG's opinion had the force of law. The AG would have power to set aside statutes on behalf of the people of Alaska if she/he felt it was appropriate. He believed the people would be fortified. He recalled visiting with constitutional delegate Yule Kilcher in the past. He noted that there had been a strong Bar Association presence at the constitutional convention. He relayed that prior to statehood Alaska had elected AGs. At the time of the convention Attorneys had communicated that hardly anyone ran for the AG seat because there were not enough lawyers in Alaska; the average AG tenure had been 10 or 11 years. The delegation had thought that an appointed AG would be more stable. He hoped to move the bill out of

committee, but understood if members voted against it. He noted that it may not make it to a floor vote.

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Vice-Chair Neuman wondered when the committee would vote on the bill.

Co-Chair Stoltze believed the dialogue was important. The only immediate financial ramification was a \$1,500 fiscal note related to the cost of printing [the information on the Division of Elections ballot].

Representative Gara would not object to reporting the bill out. He spoke to merits on both sides of the issue. First he spoke to a potential benefit of the amendment. He had worked under two former AGs including Charlie Cole and Doug Bailey; neither of the individuals had political aspirations and he believed they had run their office professionally. He stated that historically there had been pressure in the AG's office to issue opinions that the governor wanted. The general view had taken hold that the AG was the governor's attorney; under the current structure there would always be a question about the objectivity of an AG opinion. Second he spoke to concerns: he wondered which outside Citizens United interests would insert themselves in the state's AG races. He spoke against the Citizens United opinion and believed it had been a pox on the country's elections. Additionally, he believed the governor would want his/her own attorney and staff; therefore, at some point there would be a fiscal note reflecting the salaries of a modest number of attorneys and staff. He guessed it could be \$1 million to \$2 million.

Co-Chair Stoltze believed the responsibility was on his side to convince the whole body collectively. He asked if there were any amendments.

Representative Costello discussed the fiscal notes including one zero fiscal note from the Alaska Legislature and one fiscal impact note from the Office of the Governor totaling \$1,500 in FY 15 and zero impact in FY 16 through FY 20.

Co-Chair Stoltze noted that the \$1,500 was for the cost of printing the information on the Division of Elections ballot.

Vice-Chair Neuman MOVED to REPORT CSHJR 18(FIN) out of committee with individual recommendations and the accompanying fiscal notes.

There being NO OBJECTION, CSHJR 18(FIN) was REPORTED out of committee with "no recommendation" and with one previously published zero fiscal note: FN1 (LEG); and one previously published fiscal impact note: FN2 (GOV).

[7:27:48 PM](#)

AT EASE

[7:30:36 PM](#)

RECONVENED

#hcr15

HOUSE CONCURRENT RESOLUTION NO. 15

Relating to the continuation of the Task Force on Unmanned Aircraft Systems.

[7:30:41 PM](#)

Representative Costello MOVED to ADOPT the proposed committee substitute for HCR 15, Work Draft 28-LS1190\C (Strasbaugh, 3/25/14).

Co-Chair Stoltze OBJECTED for discussion.

DANIEL GEORGE, STAFF, REPRESENTATIVE BILL STOLTZE, explained that the only change in the CS was located on page 2, lines 25 through 28. The bill originally designated that the task force would include three public members; the language had been changed to include one public member and two industry representatives.

Co-Chair Stoltze asked the sponsor to clarify that the change did not reduce the public members, but reflected the bill's intent. REPRESENTATIVE SHELLEY HUGHES, SPONSOR agreed.

Co-Chair Stoltze explained that there was no diminution of the public members. The bill had always included one public member, which was clarified in the change.

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Co-Chair Stoltze WITHDREW his OBJECTION. There being NO further OBJECTION, Workdraft 28-LS1190\C was ADOPTED.

Co-Chair Stoltze asked if the sponsor had any discussions with the Legislative Affairs Agency. Representative Hughes replied in the affirmative. She elaborated that the bill specified that one of the public hearings would be held at the University of Alaska test site in Fairbanks. She noted that a cost was associated with travel to Fairbanks, which was clearly indicated in the fiscal note.

Co-Chair Stoltze noted that the fiscal note did not increase, but accurately reflected what would happen. Representative Hughes agreed.

Representative Gara MOVED Amendment 1:

Page 3, line 8:

Following "privacy" insert "and public safety"

Representative Costello OBJECTED for discussion.

Representative Gara pointed to page 3, line 8 and specified that the amendment would add the identification of public safety concerns following language pertaining to the identification of potential privacy concerns. He elaborated that drones crashed and sometimes crashed into populated areas. He wanted to ensure that the task force could recommend law changes to the legislature in the event that contracted drones were being used in highly populated areas, which could be dangerous. He used the hypothetical example of the use of drones over highways by state troopers to detect speeders. He wanted the task force to have the ability to make recommendations on a state level to the legislature and on a federal level to the Federal Aviation Administration.

Co-Chair Stoltze wondered why the bill used the word "problems" instead of "concerns." He opined that the word problem had a negative connotation; whereas, a concern was something to be attentive to. Representative Hughes was fine with the change.

7:36:05 PM

AT EASE

[7:36:39 PM](#)

RECONVENED

Co-Chair Stoltze MOVED to AMEND Amendment 1. He explained that the intent was to replace the word "problems" with the word "concerns" following the words "privacy and public safety."

There being NO OBJECTION, the amendment to Amendment 1 was ADOPTED.

Representative Costello WITHDREW her OBJECTION to Amendment 1. There being NO further OBJECTION, Amendment 1 was ADOPTED as amended.

[7:37:21 PM](#)

Representative Costello discussed that the fiscal impact note from the Legislature included a cost of \$8,900 in FY 15 through FY 17 and zero impact in FY 18 through FY 20.

Vice-Chair Neuman MOVED to REPORT CSHCR 15(FIN) out of committee with individual recommendations and the accompanying fiscal note.

There being NO OBJECTION, CSHCR 15(FIN) was REPORTED out of committee with a "do pass" recommendation and with one new fiscal impact note from the Legislature.

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AT EASE

[7:40:47 PM](#)

RECONVENED

#hb210

HOUSE BILL NO. 210

"An Act relating to the administration of psychiatric medication to a student; relating to crisis intervention training for school personnel; and relating to restraint, escort, and seclusion of students in public and private schools."

[7:40:51 PM](#)

Representative Costello MOVED to ADOPT the proposed committee substitute for HB 210, Work Draft 28-LS0852\D (Mischel, 3/25/14).

Co-Chair Stoltze OBJECTED for discussion.

DANIEL GEORGE, STAFF, REPRESENTATIVE BILL STOLTZE, explained the changes in the CS. The language "not later than 24 hours after" had been removed from page 2, line 23. The updated sentence read:

A school shall, on the same day as the incident, provide to the parent or legal guardian of an affected student information relating to an incident involving disruptive or violent behavior by the student that resulted in restraint or seclusion of the student by school personnel.

Mr. George discussed that the second change appeared on page 3, line 31 where the words "on request" had been deleted from the end of the following sentence: "A school shall provide a copy of the report to the student's parents or legal guardians."

Co-Chair Stoltze WITHDREW his OBJECTION. There being NO further OBJECTION, Workdraft 28-LS0852\D was ADOPTED.

Co-Chair Stoltze asked if there were any amendments.

Representative Costello discussed that the one fiscal impact note from the Department of Education and Early Development included a cost of \$14,000 in FY 15 through FY 20.

Co-Chair Stoltze noted that the Legislative Finance Division had cautioned that the program could cost more than indicated. He asked for any comments from the department related to the bill changes.

MICHAEL HANLEY, COMMISSIONER, DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT, answered that the department recognized the value of early notification to parents. He shared that conversations with the sponsor early on had centered on the process and whether 24 hours was too quick. He fully understood that the impacts on students who had been physically restrained or secluded played out quickly. The department saw the value in the change.

Co-Chair Stoltze remarked that educators and others involved had testified that the process outlined in the bill was what generally took place. He stated that the change would not be radical.

Representative Thompson thought a conceptual amendment was needed to insert the words "legal guardians" on page 1, line [11] in order to align the language with page 2, lines 23 and 24.

[7:45:17 PM](#)

AT EASE

[7:48:45 PM](#)

RECONVENED

Representative Thompson MOVED a conceptual amendment to insert the words "legal guardians," following the word "parents," on page 1, line [11]. There being NO OBJECTION, the conceptual amendment was ADOPTED.

Vice-Chair Neuman MOVED to REPORT CSHB 210(FIN) out of committee with individual recommendations and the accompanying fiscal note.

There being NO OBJECTION, CSHB 210(FIN) was REPORTED out of committee with a "do pass" recommendation and with one previously published fiscal impact note: FN1 (EED).

Co-Chair Stoltze canceled the meeting scheduled for the following morning. He thanked members for their work.

#

ADJOURNMENT

[7:50:57 PM](#)

The meeting was adjourned at 7:50 p.m.