

**ALASKA STATE LEGISLATURE**  
**SENATE STATE AFFAIRS STANDING COMMITTEE**

March 26, 2013

9:02 a.m.

**MEMBERS PRESENT**

Senator Fred Dyson, Chair  
Senator Cathy Giessel, Vice Chair  
Senator John Coghill  
Senator Bill Wielechowski

**MEMBERS ABSENT**

Senator Bert Stedman

**COMMITTEE CALENDAR**

CONFIRMATION HEARING: GOVERNOR'S APPOINTMENTS

**Alaska Oil and Gas Conservation Commission**

Cathy Foerster

- CONFIRMATION ADVANCED

**State Commission for Human Rights**

Jason Hart

- CONFIRMATION ADVANCED

SENATE BILL NO. 11

"An Act amending certain provisions of criminal law prohibiting the manufacture, sale, transfer, or possession of switchblades and gravity knives; adding definitions of 'gravity knife' and 'switchblade' to the criminal law; and reserving to the state, with limited exceptions for municipalities, the authority to regulate knives."

- MOVED SB 11 OUT OF COMMITTEE

SENATE BILL NO. 63

"An Act relating to contracts for the preparation of election ballots."

- MOVED CSSB 63(STA) OUT OF COMMITTEE

**PREVIOUS COMMITTEE ACTION**

BILL: SB 11

SHORT TITLE: KNIVES, GRAVITY KNIVES, & SWITCHBLADES

SPONSOR(s): SENATOR(s) DYSON

01/16/13 (S) PREFILE RELEASED 1/11/13  
01/16/13 (S) READ THE FIRST TIME - REFERRALS  
01/16/13 (S) STA, JUD  
03/26/13 (S) STA AT 9:00 AM BUTROVICH 205

BILL: SB 63

SHORT TITLE: CONTRACTS FOR PREPARATION OF BALLOTS

SPONSOR(s): SENATOR(s) FAIRCLOUGH

02/22/13 (S) READ THE FIRST TIME - REFERRALS  
02/22/13 (S) STA, FIN  
03/05/13 (S) STA AT 9:00 AM BUTROVICH 205  
03/05/13 (S) Heard & Held  
03/05/13 (S) MINUTE(STA)  
03/26/13 (S) STA AT 9:00 AM BUTROVICH 205

**WITNESS REGISTER**

CATHY FOERSTER, Chair

Alaska Oil and Gas Conservation Commission (AOGCC)

Anchorage, Alaska

**POSITION STATEMENT:** Provided information related to her confirmation hearing.

JASON HART, Appointee

State Commission for Human Rights

Anchorage, Alaska

**POSITION STATEMENT:** Provided information related to his confirmation hearing.

CHUCK KOPP, Staff

Senator Fred Dyson

Alaska State Legislature

Juneau, Alaska

**POSITION STATEMENT:** Introduced SB 11 on behalf of the sponsor.

TODD RATHNER

Knife Rights

Tucson, Arizona

**POSITION STATEMENT:** Testified in support of SB 11.

ANTHONY NEWMAN, Social Services Program Officer

Division of Juvenile Justice  
Department of Health and Social Services  
Juneau, Alaska

**POSITION STATEMENT:** Provided information related to SB 11.

LAURA PIERRE, Staff  
Senator Anna Fairclough  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Provided information related to SB 63 on behalf of the sponsor.

GAIL FENUMAI, Director  
Division of Elections  
Office of the Lieutenant Governor  
Juneau, Alaska

**POSITION STATEMENT:** Answered questions related to SB 63.

#### **ACTION NARRATIVE**

[9:02:36 AM](#)

**CHAIR FRED DYSON** called the Senate State Affairs Standing Committee meeting to order at 9:02 a.m. Present at the call to order were Senators Wielechowski, Coghill, and Chair Dyson.

#### **CONFIRMATION HEARINGS**

#### **Alaska Oil and Gas Conservation Commission**

[9:04:25 AM](#)

Chair Dyson announced that the first order of business would be confirmation hearings. He called Ms. Foerster to testify, noting there is a copy of her extensive resume in members' packets.

CATHY FOERSTER, Chair, Alaska Oil and Gas Conservation Commission (AOGCC), provided information related to her confirmation hearing.

CHAIR DYSON inquired how many years Ms. Foerster has served on AOGCC. He asked why she wanted to be reappointed.

MS. FOERSTER related that she has been on the AOGCC for eight years. She said that AOGCC quietly does highly technical, important work for the state of Alaska. It is important that someone with knowledge and experience of Alaska oil and gas operations serve on AOGCC. She said she enjoys working on AOGCC and meets those qualifications.

CHAIR DYSON requested that Ms. Foerster explain the mission of AOGCC as it relates to good stewardship and conservation of the state's resources.

MS. FOERSTER explained the major goals of AOGCC: encourage greater recover of hydrocarbons, prevent waste of hydrocarbons, protect rights of owners of hydrocarbon resources, protect fresh ground waters from damage due to oil and gas operations, and protect human health and safety during well operations.

CHAIR DYSON understood that AOGCC's records are confidential.

MS. FOERSTER explained that when an operator drills an exploratory well, all that data is held confidential for two years. She said any development well drilling or work is not confidential and neither is production data. She noted that special studies or requests for data not required by law can be confidential. She used the Prudhoe Bay and Point Thomson studies as examples of confidential data outside of the normal required data. She reported on the most famous confidential exploratory well is the KIC#1 "Kick Well" in the Arctic National Wildlife Refuge.

[9:08:42 AM](#)

CHAIR DYSON concluded that AOGCC has the most comprehensive data set of what the underground structures are like.

MS. FOERSTER said that was true in Alaska.

CHAIR DYSON asked if AOGCC approves drilling plans.

MS. FOERSTER said yes. She explained that the drilling plan is reviewed by engineers and geologists to ensure that the plan uses sound engineering and the best geology to ensure the best recovery and safety.

CHAIR DYSON recalled that AOGCC makes producers have a blowout preventer below the permafrost.

MS. FOERSTER said yes. She explained that the surface hole is drilled without a blowout preventer because it has to be attached to the pipe which has not been installed yet. A diverter is required at that stage of drilling. She detailed how a surface casing is eventually set, followed by the blowout preventer.

CHAIR DYSON added that permafrost is unique to Alaska.

MS. FOERSTER agreed.

9:11:37 AM

SENATOR WIELECHOWSKI asked if the investigation of the Repsol blowout has been completed and what lessons were learned.

MS. FOERSTER said she is sure others are investigating that blowout, but AOGCC's investigation is complete. She explained about shallow gas lenses that come and go throughout the North Slope. If they are very small they cannot be seismically detected. Although Repsol used all the seismic and well control data, they encountered a thin gas lense. She explained that because of that blowout, Repsol is setting their surface pipe shallower now, so the depth of the lenses is in a section that is not being drilled for the surface hole, but rather in the section being drilled with the blowout preventer.

SENATOR WIELECHOWSKI asked about the need for production facilities in order to increase production.

MS. FOERSTER informed the committee that Kuparuk and Prudhoe Bay facilities are gas and water constrained. Facilities are designed for a certain volume of fluid. At the onset, that fluid was predominantly oil. As the fields mature, the amount of gas and water in the fluids increase and the amount of oil decreases. In order to for Kuparuk and Prudhoe Bay to produce substantially more oil, more facilities will be required. However, everything costs money and there has to be a return on the investment. Prudhoe Bay has had several expansions for the purpose of production, after doing a financial analysis. She concluded that the question is whether it is financially viable to expand the facilities.

SENATOR WIELECHOWSKI asked about the status of the IPAD gas processing facility.

MS. FOERSTER said she was not familiar with that facility.

SENATOR WIELECHOWSKI asked Ms. Foerster if she has any non-tax suggestions for increasing oil production.

9:16:37 AM

MS. FOERSTER responded that for an industry that has a ten-year payout from the time the discovery is made until the time the first oil gets into the pipeline, the best thing the legislative body can do is provide certainty. She gave an example of how a

company would invest in a project that cost more, but had stability and rules that didn't change, rather than one that costs less, but is less stable.

SENATOR WIELECHOWSKI commented that it sounds like Ms. Foerster is arguing against the proposed oil tax bill [SB 21].

MS. FOERSTER emphasized that she is arguing for stability.

CHAIR DYSON asked if there is any objection to forwarding Ms. Foerster's nomination. There was no objection.

He commented about who pays for the expansion of the fluid handling in wells.

### State Commission for Human Rights

[9:18:26 AM](#)

JASON HART, Appointee, State Commission for Human Rights, provided information related to his confirmation hearing. He listed his educational experience and his work experience. He said he currently works for the Alaska Native Federal Health Consortium in the Benefits Department.

MR. HART related that the reason he would like to serve on the State Commission for Human Rights is, in part, due to its rich history. He believed his experience in Human Resources is related to employment discrimination. He voiced a strong desire to serve all people. He stated that this will be his first time serving on the Commission.

CHAIR DYSON asked if most cases before the Commission involve job discrimination.

MR. HART said yes.

CHAIR DYSON related that he served several years on the Commission and found that lives were touched in profound ways. He said he appreciates Mr. Hart's service.

He announced the arrival of Senator Giessel.

MR. HART offered to answer questions.

SENATOR WIELECHOWSKI asked about a legislative audit that found the Commission was not investigating complaints in a timely manner. He added that he has also had constituents complain

about the lack of timeliness of investigations. He requested an opinion from Mr. Hart.

MR. HART said he believes that issues should be settled in a timely manner. He noted that he was not aware of the audit.

CHAIR DYSON moved to forward the following appointments to a joint session for consideration:

Alaska Oil and Gas Conservation Commission  
Cathy Foerster

State Commission for Human Rights  
Jason Hart

He clarified that the motion does not reflect an intent by any of the members to vote against or for the confirmation of the individuals during any further sessions. There being no objection, it was so ordered.

[9:23:15 AM](#)

At ease

**SB 11-KNIVES, GRAVITY KNIVES, & SWITCHBLADES**

[9:23:57 AM](#)

CHAIR DYSON announced the consideration of SB 11.

CHUCK KOPP, Staff, Senator Fred Dyson, sponsor of SB 11, introduced the bill. He related that SB 11 makes it legal to possess a gravity knife or switchblade for anyone 18 years of age or older. He showed examples of those knives to committee members.

He reported that over the past year, various businesses questioned why automatic knives were deemed illegal when other more dangerous knives were not. He said the sponsor reviewed the statistics from the Department of Public Safety and from the Uniform Crime Report to see if knives are a threat to public safety. The conclusion was that there is no evidence to show that a class of knives presents a threat to public safety.

The bill makes it legal for someone 18 and over to possess a gravity knife or switchblade and it also decriminalizes the manufacture or sale of those knives. The bill further states that a person may not transfer or sell a gravity knife or switchblade to a person under 18 without the prior written

consent of the parent or guardian. A person under 16 may possess a gravity knife or switchblade if he or she has parental consent.

[9:26:57 AM](#)

MR. KOPP said, additionally, the bill defines gravity knife and switchblade. He cited two cases, State vs. Strange and State vs. Weaver, that wrestled with the definition of a legal automatic knife because it was not defined in statute. He said the definitions proposed in the bill are consistent with federal law and other states.

[9:28:43 AM](#)

MR. KOPP reported that currently it is legal for someone who is 21 and older to possess a concealed handgun unless they are a felon. It is also legal for a minor child to possess a firearm with permission of a parent. He detailed the restrictions in the bill found on page 2, lines 6 and 7, where the word "manufacture" was deleted. It states that it is illegal for a person to sell or transfer a switchblade or a gravity knife to a person under 18 without the prior written consent of a parent or guardian. Also, a person may not knowingly sell a firearm or a defensive weapon to a person under 18. A defensive weapon is defined as an electric stun gun or a chemical agent dispenser - something that does not cause a fatal injury.

MR. KOPP said page 3, line 26, is consistent with the statute regarding the possession of a firearm by someone under 16 years old. Possession of a switchblade or gravity knife is detailed on page 4, line 10. He said on page 3, line 23, it shows how out of sync the old law is. He gave other examples of consequences for possession of a firearm. He stressed that possession of knives should not fall into the same category as firearms and should not be criminalized to the same extent.

He described the most dangerous knife as one that is fixed and open; the others are basically pocket knives and they are valuable tools. Most Alaskans carry small knives that currently are attached to criminal liability.

MR. KOPP concluded that the final feature in the bill is in Title 29 where it reserves to the state the power to regulate knives, as it does firearms. This allows uniformity of the law across jurisdictions in Alaska. It is still within the authority of municipalities to provide protections based on reasonableness founded in the law. For example, the law already makes it illegal for any minor to conceal a deadly weapon.

He concluded that SB 11 is a very reasonable bill. He referred to Department of Public Safety data that shows assaults on troopers with knives is zero and assaults on people is very small, only 2 percent of all assaults.

9:36:40 AM

He said there is no reason for keeping these tools criminalized. He opined that the knives are not scary and should be legal to possess.

SENATOR WIELECHOWSKI asked if there are any municipal laws that SB 11 would preempt.

MR. KOPP said he was not aware of any. He pointed out that knives are largely unregulated.

SENATOR WIELECHOWSKI asked what is being repealed in Section 7 on page 5.

MR. KOPP explained that the bill repeals the language in misconduct involving weapons - fifth degree on line 10, page 4, where it says "possess or transport a switchblade or gravity knife." He clarified that the law allows for a default position that makes knives legal, but if someone sells a knife to someone under 18, prior consent is necessary. It is illegal for someone under 16 to possess a knife without parental consent.

CHAIR DYSON said Senator Wielechowski raised an excellent point about the state needing consistency regarding possession of knives. He noted there was once a time when someone with a knife would drive through the Mat-Su area and be out of compliance with the law.

9:39:29 AM

TODD RATHNER, Knife Rights, testified in support of SB 11. He discussed two points related to the bill, the repeal on the antiquated ban on switchblades and knife pre-emption, which says that the state has the sole authority on knife laws. He provided the history of the ban on switchblades, which began as an emotional reaction to them in the 1950's. He maintained that a switchblade is not as dangerous as a kitchen knife. He dispelled reasons that small knives are not considered dangerous, but tools. He spoke of how safe a closed knife is. He said knife bans have had no effect on crime. He noted that thirty states have similar legislation.

He spoke of a knife pre-emption campaign, which gives the legislature the power to regulate knife laws, not municipalities.

[9:46:36 AM](#)

SENATOR WIELECHOWSKI asked about the federal Switchblade Knife Act. He wondered if that is still in affect and would present a problem in Alaska.

MR. RATHNER said that Act deals with interstate commerce and the importation and of knives. He said it applies only on Indian Reservations.

SENATOR WIELECHOWSKI commented that the Act prohibits possession on federal lands, such as Metlakatla, and when mailing knives.

MR. KOPP said those were good questions. The Switchblade Knife Act has been through appellate courts and is left to states to regulate. He noted that switchblades can be purchased on line.

[9:49:19 AM](#)

ANTHONY NEWMAN, Social Services Program Officer, Division of Juvenile Justice, Department of Health and Social Services, provided information related to SB 11. He explained that because possession of a switchblade or a gravity knife is currently an offense in Alaska, Juvenile Justice does see youth for this offense - about four referrals a year. Under the bill, only juveniles under 16 would be referred for possession of a switchblade or gravity knife, and then only when they do not have permission to possess one of these knives. He informed the committee that the bill appears to create a new status offense, an offense that can only be committed by a juvenile, not an adult.

He pointed out that Alaska is a participating state in a formula grant program administered by the U.S. Office of Juvenile Justice and Delinquency Prevention. As a participating state, Alaska abides by specific rules governing the secure holding of juveniles who commit status offenses. For example, under federal rules, juvenile status offenders may not be held securely for any period of time in an adult jail or lockup. He said Juvenile Justice sought clarification from the federal office as to whether status offenses involving knives would fall under the rules for secure holds, and the federal office indicated they would. This means that if the bill passes, Juvenile Justice would need to educate staff and law enforcement partners about the inclusion of switchblade and gravity knife possession by

certain juveniles as status offenses and report violations of the rules regarding holds of juveniles to the U.S. Office of Juvenile Justice and Delinquency Prevention.

CHAIR DYSON thanked Mr. Newman for his testimony.

[9:51:54 AM](#)

SENATOR WIELECHOWSKI asked if the Switchblade Knife Act would apply in Denali National Park. He thought it would.

CHAIR DYSON noted the next committee of referral is the Senate Judiciary Committee.

He reported that the bill was brought forth by Representatives Neuman and Lynn a year ago. He suggested the content of SB 11 would be encompassed into Representative Neuman's bill.

[9:53:15 AM](#)

SENATOR GIESSEL moved to report SB 11 from committee with individual recommendations and attached zero fiscal note. There being no objection, SB 11 was reported from the Senate State Affairs Standing Committee.

[9:53:30 AM](#)

At ease

### **SB 63-CONTRACTS FOR PREPARATION OF BALLOTS**

[9:55:23 AM](#)

CHAIR DYSON announced that the final order of business would be SB 63.

LAURA PIERRE, Staff, Senator Anna Fairclough, provided information related to SB 63 on behalf of the sponsor. She noted a work draft in the packets for the members to consider.

CHAIR DYSON asked if it was the N version of SB 63.

MS. PIERRE said that was correct.

[9:56:05 AM](#)

SENATOR GIESSEL moved to adopt CSSB 63, labeled 28-LS0459\N, as the working draft. There being no objection, it was so ordered.

MS. PIERRE addressed the committee's concerns from the last hearing of the bill. She noted the sponsor worked with the Division of Elections to find new language that would satisfy

the director regarding the flexibility of accepting bids based on criteria other than low bid. The work draft now includes the bid for the preparation of ballots under the Request For Proposal (RFP) process in the state procurement code.

[9:57:12 AM](#)

CHAIR DYSON requested to know the changes made to version A, resulting in version N.

MS. PIERRE explained that there is a title change in version N. The new title now reads, "An Act making contracts for the preparation of election ballots subject to the provisions of the state procurement code." She related that language was removed from subsection (3) of Section 1, which now reads, "The director shall contract for the preparation of ballots under AS 36.30 (State Procurement Code)."

She described another change on page 4 - Section 2 was removed and replaced with, "AS 36.30.850(b)(7) is amended to read: contracts for the transportation of ballots under AS 15." This includes the preparation of ballots under the procurement code.

SENATOR WIELECHOWSKI asked if the bill applies to both paper ballots and electronic ballots.

MS. PIERRE deferred to Ms. Fenumai to answer.

[9:59:40 AM](#)

GAIL FENUMAI, Director, Division of Elections, Office of the Lieutenant Governor, answered questions related to SB 63. She said the bill would address printed paper ballots.

SENATOR WIELECHOWSKI requested information about transparency in the procurement process.

MS. FENUMAI deferred to Mr. Jones.

[10:00:29 AM](#)

VERN JONES, Chief Procurement Officer, Division of General Services, Department of Administration, answered questions related to SB 63. He stressed that the procurement code is completely transparent, depending on the method that is used. There are four formal procurements. At the \$50,000 and above level, the ITB Process, which is a low bid process, is used and it is advertised on the on-line public notice web site for 21 days. It is the same process for an RFP, plus results are published. Small procurements for under \$50,000 have informal

quotes or RFP's and use the same methods of advertising. There are also exceptions built into the procurement process, such as for emergencies and limited competition, which are less transparent.

SENATOR WIELECHOWSKI asked, if there was a special election, would the procurement process in place be able to meet the timelines.

MR. JONES said the code is flexible and could adapt to a special election timeframe and allow other types of procurements.

SENATOR WIELECHOWSKI envisioned a primary election situation that requires a fast turnaround. He wondered if a blanket procurement would be used for the entire election season.

[10:04:27 AM](#)

MS. FENUMAI said the division would procure ballots for the entire calendar year.

SENATOR WIELECHOWSKI noted that it would not be known who would be on the general election ballot until after the primary and there would be tight deadlines.

MS. FENUMAI said that was correct; however, the RFP would go out based on quantity.

SENATOR WIELECHOWSKI concluded that the procurement process would not have to be repeated.

MS. FENUMAI said yes; an RFP would be issued based on estimated quantities for both the primary and the general election.

CHAIR DYSON assumed the contract would have provisions in it if there was a special election.

MS. FENUMAI agreed.

SENATOR WIELECHOWSKI asked if the division supports the bill.

[10:05:46 AM](#)

MS. FENUMAI related that the exception for ballot printing in the procurement code has been in place since 1986. The division has experienced no problems with the current printer since 2002. She stated that if it is the will of the legislature to have the ballots printed by a competitive bidder, the way the bill is drafted now would be in the best interest of the division.

CHAIR DYSON stressed the importance of elections and the necessity to find a reliable vendor.

SENATOR WIELECHOWSKI agreed. He inquired if the procurement code allows for quality.

10:07:04 AM

MR. JONES replied that within the procurement code, the RFP process specifically allows for the evaluation of prior experience, qualifications, and quality of equipment, rather than just price.

SENATOR COGHILL commented that there is a limited scope in Alaska as to who can do the work. He noted the division has contracted with the same vendor for a while. He wondered if past performance could become part of the criteria.

MS. FENUMAI posited several possible questions the division could ask in order to determine past performance and experience in printing ballots.

SENATOR COGHILL gave an example, "Have you printed for a municipality?"

MS. FENUMAI said it's obvious that no other printer has printed ballots on a statewide basis so that would not be a fair criteria to use in an RFP.

10:09:18 AM

SENATOR GIESSEL moved to report CSSB 63, version 28-LS0459\N, from committee with individual recommendations and a forthcoming fiscal note. There being no objection, CSSB 63(STA) was reported from the Senate State Affairs Standing Committee.

10:09:49 AM

There being no further business to come before the committee, Chair Dyson adjourned the Senate State Affairs Standing Committee at 10:09 a.m.