

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

March 6, 2014
9:00 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 HEARINGS

Commissioner, Department of Administration

Curtis Thayer

Alaska State Commission for Human Rights

Michele Christiansen

Alaska Police Standards Council

Richard Burton

Violent Crimes Compensation Board

Nora Barlow

Alaska State Human Rights Commission

Immanuel Lewis

- CONFIRMATIONS ADVANCED

SENATE JOINT RESOLUTION NO. 23

Proposing an amendment to the Constitution of the State of Alaska relating to contracting state debt for postsecondary student loans.

- MOVED SJR 23 OUT OF COMMITTEE

SENATE JOINT RESOLUTION NO. 18

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.

- HEARD & HELD

SENATE BILL NO. 149

"An Act relating to public hearings on initiatives and referenda scheduled to appear on the ballot; and providing for an effective date."

- SCHEDULED BUT NOT HEARD

PREVIOUS COMMITTEE ACTION

BILL: SJR 23

SHORT TITLE: CONST. AM: STUDENT LOAN DEBT

SPONSOR(s): SENATOR(s) FAIRCLOUGH

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|----------|-----|---------------------------------|
| 02/14/14 | (S) | READ THE FIRST TIME - REFERRALS |
| 02/14/14 | (S) | STA, EDC |
| 03/06/14 | (S) | STA AT 9:00 AM BUTROVICH 205 |

BILL: SJR 18

SHORT TITLE: FEDERAL CONSTITUTIONAL CONVENTION

SPONSOR(s): SENATOR(s) DYSON

| | | |
|----------|-----|---------------------------------|
| 02/05/14 | (S) | READ THE FIRST TIME - REFERRALS |
| 02/05/14 | (S) | STA |
| 02/27/14 | (S) | STA AT 9:00 AM BUTROVICH 205 |
| 02/27/14 | (S) | Heard & Held |
| 02/27/14 | (S) | MINUTE(STA) |
| 03/06/14 | (S) | STA AT 9:00 AM BUTROVICH 205 |

WITNESS REGISTER

SENATOR ANNA FAIRCLOUGH
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Sponsor of SJR 23.

DIANE BARRANS, Executive Director
Alaska Student Loan Corporation
Juneau, Alaska

POSITION STATEMENT: Provided departmental information on SJR 23.

MIKE COONS, representing himself
Palmer, Alaska

POSITION STATEMENT: Opposes SJR 23.

CURTIS THAYER, Commissioner-Designee
Department of Administration
Juneau, Alaska

POSITION STATEMENT: Addressed questions regarding his appointment as Commissioner for the Department of Administration.

IMMANUEL LEWIS, Commissioner-Designee
Alaska State Commission for Human Rights
Office of the Governor
Anchorage, Alaska

POSITION STATEMENT: Addressed questions regarding his appointment as Commissioner for the Alaska State Commission for Human Rights.

MICHELE CHRISTIANSEN, Commissioner-Designee
Alaska State Human Rights Commission
Office of the Governor
Anchorage, Alaska

POSITION STATEMENT: Addressed questions regarding her appointment as Commissioner for the Alaska State Commission for Human Rights.

NORA BARLOW, Board Member-Designee
Violent Crimes Compensation Board
Alaska Department of Administration
Anchorage, Alaska

POSITION STATEMENT: Addressed questions regarding her appointment to the Violent Crimes Compensation Board.

RICHARD BURTON, Council Member-Designee
Alaska Police Standards Council
Department of Public Safety
Ketchikan, Alaska

POSITION STATEMENT: Addressed questions regarding his appointment to the Alaska Police Standards Council.

TYLER BELK, Staff
Senator Dyson
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Presented an overview for SJR 18.

ROBERT KELLY, Staff Council
Convention of States Project
Citizens for Self-Governance
Purcellville, Virginia

POSITION STATEMENT: Supports SJR 18.

ZABRINA BYFUGLIEN, Student
Tri-Valley High School
Healy, Alaska

POSITION STATEMENT: Supports SJR 18.

MADISON OWEN, Student
Tri-Valley High School
Healy, Alaska

POSITION STATEMENT: Supports SJR 18

ISABELLA SAXE, Student
Tri-Valley High School
Healy, Alaska

POSITION STATEMENT: Supports SJR 18.

NICOLE MCMASTER, Student
Tri-Valley High School
Healy, Alaska

POSITION STATEMENT: Supports SJR 18.

DAVID EICHLER, State Director
Convention of States Project
North Pole, Alaska

POSITION STATEMENT: Supports SJR 18.

ACTION NARRATIVE

[9:00:42 AM](#)

CHAIR FRED DYSON called the Senate State Affairs Standing Committee meeting to order at 9:00 a.m. Present at the call to order were Senators Wielechowski, Giessel, and Chair Dyson.

CHAIR DYSON reviewed the committee calendar.

SJR 23-CONST. AM: STUDENT LOAN DEBT

[9:01:34 AM](#)

CHAIR DYSON welcomed Senator Fairclough to introduce SJR 23.

[9:01:42 AM](#)

SENATOR ANNA FAIRCLOUGH, Alaska State Legislature, Juneau, Alaska, stated that SJR 23 amends the Alaska Constitution which is a very serious matter. She explained that SJR 23 simply allows the Legislature to authorize a loan for post-secondary students. She added that SJR 23 fits into a constitutional amendment and allows for a post-secondary education bond that would have to come to the Legislature for approval. She said ultimately the resolution would have to go to voters and ask if they agreed with the Legislature. She pointed out that current state law under the Alaska Constitution allows for capital improvement indebtedness and housing loans for veterans. She detailed that SJR 23 would expand the legislative authority to cover a debt for one more entity.

[9:03:23 AM](#)

SENATOR COGHILL joined the committee meeting.

SENATOR GIESSEL asked why SJR 23 is needed.

SENATOR FAIRCLOUGH answered that students across the nation are experiencing a high debt load, something that the country's Founding Fathers probably never considered. Debt was something different many years ago than it is today. She said the state's students are borrowing at a much higher rate than they can achieve or acquire. The federal national loan program was at 7 percent and has been reduced to 3.86 percent. She said the hope is for student to go and try to access federal loans first. She remarked that currently because of the structure of the Alaska's loan system, the state is financing 2014 loan debt for students at 7.30 percent via the Alaska Supplemental Education Loan and Family Education Loan.

She said SJR 23's purpose is to first, extend student loans at a lower interest rate by using the full faith and credit in Alaska's AAA credit rating. Second, over time the Legislature could assist students by refinancing their higher interest loans.

SENATOR WIELECHOWSKI stated that he supports Senator Fairclough's efforts. He asserted that the Legislature needs to drive down outrageously high loan costs for student. He pointed that the priorities are wrong when banks can get loans for less than 1 percent and Alaska is charging students 7 percent.

He asked how much the interest rates can be driven down. He inquired if lowering interest rates was a better approach than funding loans through the State's General Fund.

SENATOR FAIRCLOUGH responded that the lowest debt to students would occur through the State's General Fund. She said using the State's General Fund is a challenge due to volatile oil prices and tight budgetary times. She stated that SJR 23 would offer loans that would be a percent or percent-plus below what is currently offered.

[9:06:23 AM](#)

DIANE BARRANS, Executive Officer, Alaska Student Loan Corporation (ASLC), Juneau, Alaska, noted that she was also the Executive Director of the Alaska Commission on Postsecondary Education. She said Senator Fairclough has done an excellent job of explaining the objective and the reasons behind SJR 23. She noted that Senator Fairclough is correct that, depending what is occurring in the market, general obligation bonds can be accessed with the Alaska's AAA credit behind it to achieve at least a percentage point reduction below what could otherwise be achieved. She added that another benefit would be the rating agencies and investors looking at Alaska's credit, rather than scrutinizing education loans, revenue will be provided to pay down bonds and the credit criteria may be widened so that more Alaska students can qualify.

[9:08:25 AM](#)

SENATOR FAIRCLOUGH pointed out that around the time of the 2008 financial crisis, the federal government actually increased the credit scores required to access loans. She noted that previously, students were considered a good risk if they did not have credit. Currently the new definition requires a student to have a minimum credit score and students are not qualifying. She provided an example of having to co-sign for her son in order to obtain a student loan for college.

[9:10:05 AM](#)

SENATOR WIELECHOWSKI said college student debt has become a national crisis. He pointed out that there is a trillion dollars of outstanding student loan debt. He asked how much the student loan interest rates will be reduced and how much the state will pay in addition to what the students will be charged. He inquired if SJR 23 is the best way to get the interest rates down for students.

MS. BARRANS replied that a significant change to interest rates can be made. She pointed out that market-based rates have been at historical lows over the past several years and her intent was not to over promise what using the state's AAA rating will allow for the lowest possible cost of funds. She continued to explain as follows:

If we were in the market today with AAA debt, I think we would be in the 4.5 to 4.6 percent range. Compare to if we were in market today with student loan backed bonds, we would be at least a percentage and a half higher than that. So that's kind of the differential that you can achieve, but again it would allow us as well to make the loans more widely available to students. Right now, as Sen Fairclough points out in her sponsor statement, we deny over 40 percent of applicants who come to us now. We are failing to really deliver the kind of program to state residents that we should both with respect to price and availability. To your second more broad question regarding is this the best approach, I would suggest that it is, not only will we not be looking at a year-to-year situation where if we were to go to a general fund supported program where we have to rely on what other priorities the state is dealing with financially and we can't make a long term commitment to borrowers, but we are using the state's credit very efficiently without associating a financial obligation upon the state. The loans themselves can be structured to pay down the bonds, avoid any potential burden on the state general fund, but still deliver a product that would rival any other non-federal loan in the country. We would hopefully be second to none under this structure.

9:13:33 AM

SENATOR WIELECHOWSKI asked if SJR 23 is essentially revenue neutral by passing through costs with administrative fees. He inquired if the state is losing money or will SJR 23 allow the state to make money. He addressed delinquency rates and queried if the state anticipates a problem.

MS. BARRANS answered that cost is rather revenue-neutral. She explained that the business model has been to keep costs to the borrower as low as possible while remaining in a position to demonstrate good faith in repaying bond holders. She noted that hundreds of millions of dollars of bonds have been issued over

the years without ever having to statutorily ask the Legislature for funds to cover bond shortfalls. She pointed out that borrowers have been provided with benefits in the form of credits that are applied to loans. She explained that a student who attends school in Alaska and is making automated payments can receive a 0.75 percent credit. She said delinquency rates are quite low and average in the 5 to 8 percent range. She noted that delinquency rates increased during the recessionary period, but rates have declined during the past two years. She set forth that ASLC is in a very good situation to look at supporting the next generation of student loan financing.

CHAIR DYSON invited public testimony.

[9:17:07 AM](#)

MIKE COONS, representing himself, Palmer, Alaska, said he opposed SJR 23 and noted the nation's propensity for debt rather than savings. He stated that lowered interest rates will exasperate student debt.

[9:20:08 AM](#)

CHAIR DYSON announced that public testimony is closed. He asked to confirm that if SJR 23 gets on the ballot and is approved by voters, SJR would have to come back to the Legislature for authorization by specific law.

SENATOR FAIRCLOUGH concurred with Mr. Coons' concern with student debt and noted that she supported savings. She stated that voting for SJR 23 supports loans for students who do not have savings or parents that can help out. She pointed out that ASLC already has the capacity to borrow, so there is nothing new that would have to happen. She agreed with previous SJR 23 testimony that a student can carry less debt if they graduate on time. She added that the state should help students understand the cost of education and the debt that will have to be carried in the future.

[9:22:21 AM](#)

SENATOR COGHILL noted that the student loan program is a tool that allows the state to put together a way to make the best use of its money. He added that the concept really comes down to the cost of money.

SENATOR GIESSEL agreed with Mr. Coons and Senator Fairclough that debt is not good. She stated that she supports SJR 23, but noted that the resolution does not get at the problem of why secondary-education is becoming more expensive.

CHAIR DYSON announced that the Chair will entertain a motion.

[9:23:36 AM](#)

SENATOR GIESSEL moved to report SJR 23 from committee, labeled 28-LS1394\U with individual recommendations and attached fiscal note(s).

[9:23:50 AM](#)

CHAIR DYSON announced that seeing no objection, SJR 23 passed out of the Senate State Affairs Standing Committee.

[9:23:57 AM](#)

CHAIR DYSON declared that the committee will stand at ease.

CONFIRMATION HEARINGS
Commissioner, Department of Administration
Alaska Police Standards Council
Alaska State Commission for Human Rights
Violent Crimes Compensation Board

[9:24:51 AM](#)

CHAIR DYSON set forth that the committee will take up the appointment of Commissioner for the Department of Administration, Curtis Thayer.

[9:25:08 AM](#)

CURTIS THAYER, Commissioner-Designee, Department of Administration, Juneau, Alaska, revealed that he was born and raised in Alaska, graduated from Bartlett High School in Anchorage, and attended college at the University of Alaska-Fairbanks.

He noted that he had previously worked for the Federal Bureau of Investigation as a paralegal, Congressman Don Young in Washington D.C. for seven years, Senator Lisa Murkowski, and Senator Ted Stevens. He continued that he returned to Alaska and entered into the private sector with BP, ConocoPhillips, and ExxonMobil. He said he also worked for Enstar Natural Gas Company as the Director of Corporate and External Affairs.

He revealed that the Governor gave him a very unique opportunity and asked if he would join his administration in 2009 as the Deputy Commissioner of Commerce, Community and Economic Development. He noted that is role as Deputy Commissioner encompassed the direct oversight of Alaska's Banking and

Securities Division, Division of Insurance, Economic Development, Corporations-Business and Professional Licensing, and Community & Regional Affairs. He added that he served on the boards for the Alaska Housing Finance Corporation, Alaska Gasline Development Corporation, and the Alaska Seafood Marketing Institute. He noted that he currently serves as Chairman for the Alaska Board of Marine Pilots.

He said the Governor asked him to take an opportunity that presented itself in the Department of Administration (DOA) to serve as Deputy Commissioner. He revealed that his DOA responsibilities included oversight for: the Division of Administrative Services, Division of General Services, Division of Personnel, Labor Relations, and Division of Motor Vehicles. He said the Governor asked in December if he would consider serving as the DOA Commissioner when Becky Hultberg resigned.

9:28:13 AM

He said there are a lot of challenges ahead at DOA. He declared that the previous commissioner left DOA in better condition and noted that he is hopeful to do the same. He explained that DOA is a customer service oriented department and acts as the state's cost center. He remarked that state agencies that do not fit in other departments are placed in DOA.

MR. THAYER revealed that DOA has anything from Personnel and Labor Relations to the Public Defender Agency, Office of Public Advocacy, Retirement and Benefits, Division of Motor Vehicles, and General Services. He summarized that DOA is all customer service, whether customers are employees, retirees, or constituencies.

He informed the committee that he looks at three things when hiring somebody: good employees, trustworthy employees, and loyal employees. He asserted that he asks nothing of his employees that he would not ask of himself to do.

SENATOR WIELECHOWSKI noted that his office has been trying to get a side-by-side on the retiree healthcare changes. He asked if he could receive an updated copy.

MR. THAYER responded that DOA has been working on the side-by-side and noted that the delay was caused when DOA moved to Aetna.

SENATOR WIELECHOWSKI noted receiving e-mails from Public Employees Retirement System (PERS) and Teachers' Retirement

System (TRS) retirees who asked if their pensions and benefits were safe.

[9:31:17 AM](#)

MR. THAYER answered that he did not believe the benefits of retirees can be diminished, whether that be their pension or healthcare. He addressed the unfunded liability that the state carries which is currently a little shy of \$12 billion. He said the unfunded liability is something that everyone struggles with, including the Legislature and the Governor. He pointed out that the Governor has a proposal to move \$3 billion into the PERS and TRS liability to ultimately cap the state's obligation at \$500 million. He explained that DOA is working with the Legislature on addressing the PERS and TRS issue. He said he personally would rather see the state take a "bite at the apple" now to start to resolve the unfunded liability problem than "kick the can down the road."

[9:32:13 AM](#)

SENATOR WIELECHOWSKI expressed his appreciation in the efforts to pay down the PERS and TRS debt. He pointed out recruitment and retention, noting that many legislators believe that there should be a defined benefit system for employees. He stated that there was an effort in the House to return the defined benefits for public safety officers. He asked for Mr. Thayer's thoughts regarding recruitment and retention and whether or not the state is doing what is needed to keep people working for the state.

MR. THAYER replied that DOA has a very robust retention in payroll and does not see an issue with retention. He noted that Alaska is the only state in the union that did not freeze salaries after 2008 and added that the state has increased salaries. He voiced concern for a pending bill that defines benefits for police and firefighters that could easily be expanded and put the state back into the current situation with PERS and TRS.

[9:35:14 AM](#)

SENATOR WIELECHOWSKI asserted that there is a win-win opportunity if the state setup a Taft-Hartley like plan for its employees where they can make a contribution and then be off-the-hook. He pointed out that employees' concerns relate to not knowing how long they are going to live and their investments tend to be conservative. He said pooling investors allows for greater returns due to the use of professional investors. He asserted that a system could be developed where the state makes a contribution and then is off-the-hook. He encouraged Mr.

Thayer to look in the pending bill's direction for all public employees.

CHAIR DYSON noted a question from a constituent who asked if Mr. Thayer is aware that employees of the Alaska Department of Natural Resources' Fire and Aviation Program are classified as clerical workers rather than first responders.

MR. THAYER replied that he is aware of the issue and DOA-Retirement and Benefits is addressing whether personnel are on the front lines or back at headquarters where the fire is 200 miles away.

CHAIR DYSON noted that his constituent is a fire chief and said the people he is referring to are among the very best trained brush fire people in the state.

[9:37:54 AM](#)

CHAIR DYSON asked if there was objection to moving Mr. Thayer's appointment forward. [No objection noted.] He read the following statement:

In accordance with Article 3, Section 25 of the Alaska Constitution, AS 39.05.080, the State Affairs Committee reviewed the following and recommended appointment be forwarded to the Joint Session for consideration: Commissioner of the Department of Administration, Curtis Thayer. This does not reflect the intent of any of the members to vote for or against the confirmation of the individual during further sessions.

[9:38:31 AM](#)

CHAIR DYSON declared that the committee will stand at ease.

[9:39:38 AM](#)

CHAIR DYSON set forth that the committee take up the appointment of Immanuel Lewis as Commissioner for the Alaska State Commission for Human Rights.

[9:39:57 AM](#)

IMMANUEL LEWIS, Commissioner-Designee, Alaska State Commission for Human Rights (ASCHR), Office of the Governor, Anchorage, Alaska, stated that he has been a resident of Alaska for three years and has been involved in different businesses as well as non-profits by helping youths and adults that are at-risk.

He noted that his résumé shows that he has moved around the country a lot and explained that being an African American in Georgia, he has seen discrimination and how it can affect a person's life. He explained that he has learned a lot from the different organizations and businesses that he has worked for. He set forth that he will bring to ASCHR a well balanced view.

[9:41:21 AM](#)

SENATOR WIELECHOWSKI asked to clarify that Mr. Lewis has lived in Alaska for three years.

MR. LEWIS responded yes.

SENATOR WIELECHOWSKI asked if Mr. Lewis feels like he has enough knowledge about the state to be able to effectively sit on ASCHR.

MR. LEWIS replied that he does. He noted his first position was a Government Account Manager with AT&T and the position allowed him to travel around the state and work with state and local government as well as nonprofit organizations, school districts, and regional hospitals. He said he has traveled most of the state both in Southeast Alaska, Western Alaska, and up to Fairbanks and Barrow. He remarked that he has learned about different communities in each area and the needs of those communities as well as the people that live in those communities. He asserted that his knowledge of the state goes beyond some of the people who have lived in Alaska a little longer.

SENATOR WIELECHOWSKI noted that ASCHR addresses: race, color, religion, sex, national origin, physical disabilities, and mental disabilities. He pointed out that there is a bill moving through the Legislature to include sexual orientation discrimination.

MR. LEWIS replied that he believes that the addition of sexual orientation is needed. He asserted that addressing sexual orientation is the way the rest of the country is moving and it is fair to put that into place.

[9:43:17 AM](#)

CHAIR DYSON declared that the committee will move on to address the appointment of Michele Christiansen as Commissioner for the Alaska State Human Rights Commission (ASHRC).

[9:43:52 AM](#)

MICHELE CHRISTIANSEN, Commissioner-Designee, Alaska State Human Rights Commission, Office of the Governor, Anchorage, Alaska, explained that she was born and raised in Alaska, although she is not an Alaska native, she is native to Alaska. She explained that her background is in corporate compliance and ethics programs as well as being the Office Manager for the Alaska Justice Center as an advocate for Alaska Natives due to the inequities in the criminal and justice system. She summarized that her history shows her strong belief in equality.

[9:47:40 AM](#)

SENATOR GIESSEL noted Ms. Christiansen's résumé and her comprehensive view of Alaskans. She addressed her applications for the Alaska Bar Association, Alcohol Beverage Control Board, Regulatory Commission of Alaska, and the Workers' Compensation Board. She noted that the four agencies that Ms. Christiansen applied for are very different than the Commission on Human Rights. She asked Ms. Christiansen to address the difference.

MS. CHRISTIANSEN replied that her application pertained to her changing jobs and learning more about the Human Rights Commission.

CHAIR DYSON revealed that he served on ASHRC for three years.

MS. CHRISTIANSEN noted that she has dealt with a lot of issues, especially through the Alaska Native Justice Center. She asserted that inequities exist and serving on ASHRC is an important mission.

[9:49:48 AM](#)

CHAIR DYSON asked the committee if there is an objection to moving Ms. Christiansen's nomination forward, [no objection was noted.]

[9:50:36 AM](#)

NORA BARLOW, Board Member-Designee, Violent Crimes Compensation Board (VCCB), Alaska Department of Administration, Anchorage, Alaska, explained that she is a current VCCB board member. She said she was originally appointed to serve for a retired member in addition to a one term reappointment. She set forth that she enjoys her work, considers serving to be important, and asked that she be reconfirmed.

SENATOR WIELECHOWSKI thanked Ms. Barlow for the great work that she is doing on VCCB.

CHAIR DYSON addressed legislation that will significantly equip VCCB to do a lot more.

MS. BARLOW thanked Chair Dyson and noted being aware of pending legislation to assist VCCB.

9:52:42 AM

RICHARD BURTON, Appointee, Alaska Police Standards Council (APSC), Department of Public Safety, Ketchikan, Alaska, revealed that he came to Alaska in 1952 and was one of the first Alaska State Troopers hired during statehood. He pointed out that he has worked in all regions of the state. He said he started his law enforcement career without professional training and noted a need to hire professional police officers and public safety officers. He revealed that he has been on APSC for a number of years, serving as the commissioner twice. He stated that one of the reasons why he would like another a term is to finish APSC's current review of regulations and statutes. He shared his law enforcement background since retirement and noted his occasional role in assisting with breakdowns in police departments. He asserted that he is familiar with the effect that good conduct and good people have on law enforcement. He shared that recently there has been some bizarre behavior done by people who should not have been hired in the first place.

9:56:38 AM

CHAIR DYSON asked to clarify that APSC is not bound to just deal with cases brought before the council, but APSC can investigate anonymous whistle-blower incidences.

MR. BURTON answered yes. He shared that APSC has addressed cases in the manner Chair Dyson described, but noted that APSC is not an appeals court for law enforcement officers.

CHAIR DYSON shared his background as a supervisor where he was told that he could not provide references for former employees beyond their dates of employment. He revealed knowing a law enforcement individual who had worked at various police departments and bargained for release from employment without reference being made to his work record. He asked if a police department can ask for a release from a law enforcement candidate to receive information from a previous employer.

MR. BURTON responded that if a candidate lies on their application, the incident is considered perjury because the application is done under oath. He added that APSC has the power of subpoena in order to investigate cases. He said an incident

does not require APSC to wait for a police chief to submit information; APSC views a case as whether it meets the standards to decertify or not decertify.

CHAIR DYSON said he is pleased that Mr. Burton is accepting his appointment because he has the courage and integrity to weed-out the bad guys. He shared that he used to be able to say with great pride that in Alaska there were no "dirty" cops or corrections officers, no unnecessary violence, and no unethical behavior, in particular sexual exploitation. He stated that people like Mr. Burton serving on APSC will be a real asset.

[10:00:44 AM](#)

CHAIR DYSON asked if there was any objection to moving Mr. Burton and all of the [previous] recommendations forward. He stated that seeing no objection, he read the following statement:

In accordance with Article 3, Section 25 of the Alaska Constitution, AS 39.05.080, the State Affairs Committee reviewed the following and recommended appointments to be forwarded to the Joint Session for consideration: State Commission of Human Rights, Michele Christiansen; Alaska State Commission for Human Rights, Immanuel Lewis; Alaska Police Standards Council, Richard Burton; Violent Crimes Compensation Board, Nora Barlow. This does not reflect the intent of any of the members to vote for or against the confirmation of the individuals during further sessions.

[10:01:32 AM](#)

CHAIR DYSON declared that the committee will stand at ease

SJR 18-FEDERAL CONSTITUTIONAL CONVENTION

[10:02:31 AM](#)

CHAIR DYSON announced that the committee will take up SJR 18.

[10:04:29 AM](#)

TYLER BELK, Staff, Senator Dyson, Alaska State Legislature, Juneau, Alaska, inferred that the committee was addressing a resolution that looks at one of the great documents in human history, the United States Constitution. He said the Convention of States (COS) is a means to examine and amend the Constitution without putting the document's entirety and integrity at risk. He asserted that COS is a great opportunity to operate without

ramification and the possibilities are endless. He pointed out that COS is non-partisan and topic-based. He said the "will of the time" will determine what is covered in the COS. He set forth that a COS will be a monumental occasion in United States history that looks at something that essentially binds the country.

10:06:01 AM

CHAIR DYSON stated that it is often very difficult for change to come from any bureaucracy and the process often takes some outside action to overcome the institutional inertia. He said it appears to him that the Founding Fathers recognized the bureaucratic process and wanted to have a way for the citizens to initiate and affect the possibility to change the Constitution. He pointed out that SJR 18 is a first step to get Alaska in the queue of states that are considering calling for a COS and there will be several steps pertaining to rules, delegation selection, delegation discipline, topic limitations, topic agreement, and COS ratification by two thirds of the states prior to going on a ballot. He set forth that the COS is a very complicated process. He pointed out that the individuals working on the COS have been very careful about the process and noted that most objections have been dealt with in a credible way.

10:07:54 AM

ROBERT KELLY, Staff Council, Convention of States Project, Citizens for Self-Governance, Purcellville, Virginia.

CHAIR DYSON asked if there were three or four groups across the nation that are working somewhat in parallel on COS. He asked if Mr. Kelly to specify what his organization does.

10:08:31 AM

MR. KELLY replied that he represents Citizens for Self-Governance and the organization sponsors the Convention of States Project (COSP). He said COSP is arguing for an Article V Convention that specifies a particular set of topics for the COS to cover.

He said there are three different approaches from a legislative standpoint on how an Article V Convention can be run:

1. COS could be run as an unlimited convention, effectively allowing the COS to consider any sort of issue determined to be in the best interest of the American people. He pointed out that an unlimited COS is not the best approach

because the COS needs guidance and limitations to ensure the process stays within proper Constitutional boundaries.

2. Set out a specific topic or set of topics, allowing the COS some discretion to consider exactly how to propose solutions and word amendments; however, it also keeps it closely within certain boundaries and that's the approach COSP is taking.
3. Hold the COS to propose specific amendments and layout in advance the amendments that the COS can propose; that really limits the discretion of the COS.

He reiterated that COSP's approach in SJR 18 is in the middle realm by setting out a set of topics that the COS has to adhere to, but allows the COS some discretion to propose a number of amendments within those topics. He explained that the topics in in SJR 18 are:

1. Place fiscal restraints on the federal government.
2. Limit the power and jurisdiction of the federal government.
3. Impose term limits on federal officials and members of congress.

MR. KELLY said COSP believes the use of set-topics is the best approach because COS will have the ability to address the problem of federal overreach as a whole and allow for a "holistic" solution to massive imbalance of power in the federal government; a COS limited to a single isolated amendment cannot do that. He explained that COSP likes the idea of a balanced budget amendment, but passing one in the current federal political climate is likely to result in a massive tax hike. He set forth that COSP believes a better approach is to allow the COS to consider the problem as a whole, to consider it as a topic, and to allow the COS to formulate exactly what amendments will address a problem; for example, federal overreach. He noted that the topic-based approach was the approach the Founding Fathers used for the vast majority of the 32 conventions that they held in the years leading up to the adoption of the Constitution.

[10:11:33 AM](#)

SENATOR WIELECHOWSKI noting seeing some commentary from law professors that there is some question as to whether or not a COS could be limited to specific items in the resolution; in other words, once you got there, anything would be opened. He asked if there was legal precedent that would address the concerns the anything would be opened.

MR. KELLY replied that the Supreme Court has never had an opportunity to address the legal question that Senator Wielechowski presented for an Article V Convention. He pointed out that there is an extensive set of historical practice, both by the Founding Fathers and by Americans since the founding. The Founding Fathers themselves held at least 32 conventions themselves in the 100 years leading up to the adoption of the Constitution. He noted having records of at least four conventions since the founding. He said in the vast majority of the conventions, the Founding Fathers and the individuals who held conventions after the founding, a specific topic for the COS had been set out to consider and that was the backdrop against which the Founding Fathers were adding the provision to the Constitution and the Founding Fathers limited their COS to specific topics and stayed within boundaries. He asserted that from a historical record that it is clear that an Article V Convention could also be limited within specific topics.

CHAIR DYSON announced that SJR 18 will be held in committee and asked that Mr. Kelly call back to testify at the next meeting.

MR. KELLY confirmed that he will be available for the next hearing for SJR 18.

[10:14:10 AM](#)

ZABRINA BYFUGLIEN, Student, Tri-Valley High School, Healy, Alaska, stated that she supports SJR 18 and the COS in order to address federal overreach.

[10:16:46 AM](#)

MADISON OWEN, Student, Tri-Valley High School, Healy, Alaska, stated that she supports SJR 18 and noted that the COS is not a partisan issue and ultimately returns the Constitution to the Founding Father's original intentions.

[10:19:23 AM](#)

ISABELLA SAXE, Student, Tri-Valley High School, Healy, Alaska, said she supports SJR 18 due to the federal government overstepping its bounds. She addressed fears for a "runaway" COS and noted that checks are in place to prevent a runaway scenario.

[10:22:25 AM](#)

NICOLE MCMASTER, Student, Tri-Valley High School, Healy, Alaska, said she supports SJR 18 due to the federal government's overreach and continued debt spending.

10:24:50 AM

CHAIR DYSON commended the students for their testimony. He noted that his staff member that presented SJR 18 is an intern and encouraged the Healy students to pursue their interests in government.

SENATOR GIESSEL thanked the students for their testimony and noted her appreciation for their knowledge of American history and critical thinking skills. She remarked that the students' testimony provide her with hope for the next generation.

10:26:31 AM

DAVID EICHLER, State Director, Convention of States Project, North Pole, Alaska, said he supports SJR 18 and its intent to enact limitations on the federal government.

CHAIR DYSON remarked that the process for a COS is going to be a long fight. He surmised that the process to have a COS will take three years or longer. He encouraged volunteers like Mr. Eichler to continue their commitment for a COS and not to quit.

SENATOR COGHILL noted the case brought forward by the Healy students was articulate and emphasized the need for SJR 18 to keep pressure on the federal government to have a discussion on having a COS to deal with the national debt. He remarked that the students pointed out that they already owed for a debt that had been left to them and future generations.

10:29:07 AM

CHAIR DYSON announced that the committee will reconvene [SJR 18 was held until the next committee meeting.]

10:29:17 AM

There being no further business to come before the committee, Chair Dyson adjourned the Senate State Affairs Standing Committee at 10:29 a.m.