

**ALASKA STATE LEGISLATURE  
HOUSE EDUCATION STANDING COMMITTEE**

March 27, 2015

8:04 a.m.

**MEMBERS PRESENT**

Representative Wes Keller, Chair  
Representative Liz Vazquez, Vice Chair  
Representative Jim Colver  
Representative Paul Seaton  
Representative David Talerico  
Representative Harriet Drummond  
Representative Jonathan Kreiss-Tomkins

**MEMBERS ABSENT**

All members present

**COMMITTEE CALENDAR**

HOUSE BILL NO. 107

"An Act relating to the composition of the Board of Regents of the University of Alaska."

- MOVED CSHB 107(EDC) OUT OF COMMITTEE

**PREVIOUS COMMITTEE ACTION**

BILL: HB 107

SHORT TITLE: BD OF REGENTS REGIONAL RESIDENCY QUALIF.

SPONSOR(S): REPRESENTATIVE(S) GATTIS

02/13/15	(H)	READ THE FIRST TIME - REFERRALS
02/13/15	(H)	EDC
03/18/15	(H)	EDC AT 8:00 AM CAPITOL 106
03/18/15	(H)	Heard & Held
03/18/15	(H)	MINUTE(EDC)
03/27/15	(H)	EDC AT 8:00 AM CAPITOL 106

**WITNESS REGISTER**

REPRESENTATIVE LYNN GATTIS  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Speaking as the sponsor, presented the proposed committee substitute (CS) for HB 107.

JYOTSNA HECKMAN, Chair  
Board of Regents  
University of Alaska  
Fairbanks, Alaska

**POSITION STATEMENT:** Responded to questions during the hearing on CSHB 107.

CHRIS CHRISTENSEN  
Associate Vice President of State Relations  
University of Alaska  
Anchorage, Alaska

**POSITION STATEMENT:** Responded to questions during the hearing on CSHB 107.

#### **ACTION NARRATIVE**

[8:04:53 AM](#)

**CHAIR WES KELLER** called the House Education Standing Committee meeting to order at 8:04 a.m. Representatives Seaton, Vazquez, Colver, Talerico, and Keller were present at the call to order. Representatives Drummond and Kreiss-Tomkins arrived as the meeting was in progress.

#### **HB 107-BD OF REGENTS REGIONAL RESIDENCY QUALIF.**

[8:05:06 AM](#)

CHAIR KELLER announced that the only order of business would be HOUSE BILL NO. 107, "An Act relating to the composition of the Board of Regents of the University of Alaska."

[8:05:09 AM](#)

REPRESENTATIVE VAZQUEZ moved to adopt the proposed committee substitute for HB 107, Version 29-LS0465\P as the working document.

REPRESENTATIVE SEATON objected. [Withdrawn]

[8:06:26 AM](#)

REPRESENTATIVE LYNN GATTIS, Alaska State Legislature, explained the sectional analysis for Version P, before the committee, and said that within Section 1, the University of Alaska shall be governed by a Board of Regents consisting of 9 regents as

opposed to the current 11 regents. She then referred to Section 2, item 8, and said there would be two at large members that are Alaskan residents as opposed to the current 4. She pointed out that the rationale was that an 11 member board was more cumbersome and expensive. [Section 3 refers to Regents Qualifications and Board Membership.] Representative Gattis noted that Section 4 refers to the transition of moving to a 9 member board.

[8:07:57 AM](#)

REPRESENTATIVE KREISS-TOMKINS requested an expansion on the rationale for downsizing the number of regents from 11 to 9.

REPRESENTATIVE GATTIS responded that it is less wieldy and less expensive. She advised the issue of regents moving locations and losing their seat was changed in the CS to allow for continued service.

[8:10:10 AM](#)

REPRESENTATIVE COLVER inquired whether the satellite campuses are poorly represented in comparison to the main campuses with regard to resources and questioned whether this is an attempt to level the playing field and hear other voices throughout the state.

REPRESENTATIVE GATTIS replied it is not her intention to disparage the regents, but this is time for a "huge" change and this is the perfect time to review regionalizing.

[8:11:32 AM](#)

REPRESENTATIVE VAZQUEZ pointed to the data table contained in the committee packet and she acknowledged that since 1917 Matanuska-Susitna has been chronically underrepresented, and she was "glad to see this bill."

REPRESENTATIVE SEATON referred to the letter dated March 26, 2015 from Regent Jyotsna Heckman contained within the committee packet, and noted concern expressed for a 9 member board populating the 4 working committees, audit facilities, academic, student affairs, and planning and development. He asked whether 9 regents would require the entire board to serve as a committee of the whole on every issue.

[8:13:28 AM](#)

JYOTSNA HECKMAN, Chair, Board of Regents, University of Alaska explained that an 11 member board is not unwieldy when considering the 4 important committees. She noted that 9 members to populate those committees and actively engaged would be difficult. Many regents, she pointed out, are working professionals leading large organizations and occasionally they are unable to participate in a committee or board meeting. Therefore, she explained, there could be a quorum issue affecting the work of the Board of Regents in taking any action. She expressed concern regarding HB 107 and CSHB 107 in that they are problematic as they impact functionality and the board's ability to conduct business. The lack of representation in the Matanuska-Susitna on the Board of Regents should not be the focus, but rather the issue is the Board's ability to work with a quorum present and conduct business with a reduction of seated members, she remarked. Two less members to perform the work is a substantial concern and, she pointed out, there is diversity on the board, such as geographic, age, background, professional expertise, ethnic background, and gender. Additionally, the regents are appointed by the governor and the nationwide best practices approach calls for 11-12 member boards. She reiterated that 11 members on the board is not unwieldy and 9 members on the board is problematic.

[8:18:55 AM](#)

CHAIR KELLER questioned whether there is anything in statute or the Alaska State Constitution that prevents the board from including people on committees not on the Board of Regents.

REGENT HECKMAN did not have the answer.

CHAIR KELLER advised that while he quickly reviewed the board's bylaws he noticed that the chair will assign "individual regents to external boards and commissions." He noted there is a presumption that there is engagement of the Board of Regents outside just the Board of Regents. For example, currently the board is searching for a new president and, he remarked, it could be helpful to have input from individuals providing expertise. He suggested the possibility of adjusting the bylaws to allow that a subcommittee of the Board of Regents could include individuals not on the Board of Regents.

REGENT HECKMAN stated that the presidential search committee has regent members as well as members from government groups and the community. Currently, she explained, 2 regents serve on the

Alaska Commission on Postsecondary Education, and 2 regents serve on the university's foundation board. Additionally, she further explained, 2 regents have been appointed to serve on a joint board with the Department of Education and Early Development and the Board of Regents as a joint venture started last year. She opined that outside of the presidential search, the Board of Regents does not have external ad hoc committees.

CHAIR KELLER deduced that when there are 9 regents as opposed to 11, a regent would have more influence as it increases the input and authority of each regent. With regard to the length of term for the existing regents, he asked whether that is defined in statute.

REGENT HECKMAN opined it is defined in statute.

8:23:30 AM

REPRESENTATIVE KREISS-TOMKINS asked Regent Heckman to speak to how requisite it is that the members of the audit facilities, academic, student affairs, and planning and development committees be populated by the Board the Regents or whether they have specialized knowledge the Board of Regents would have unique access to.

CHAIR KELLER asked whether Representative Kreiss-Tomkins was asking what Regent Heckman sees as the advantage of having the committee members as regents versus people from outside.

REPRESENTATIVE KREISS-TOMKINS clarified his question as to whether there is specialize knowledge the Board of Regents would have unique access to that is required for the members of those committees to function well.

REGENT HECKMAN responded that no specialized knowledge is required of the Board of Regents to serve on committees. For example, she explained, within the academic and student affairs committee, Regent Powers has a vast interest in academics, student services, and student success. Although, she said, Regent Powers runs a hospital and is not a university affiliate, and wanted to be engaged in that committee as that aspect of operations was appealing to him and he has been the chair of that committee for the last two years. She explained that when reviewing the Board of Regents to see the vast experience each brings to the table from their own particular fields and noted she was a banker for 26 years and has experience in audits, facilities, and planning and development. The regents'

knowledge is brought to the table with good outside perspectives so they make good decisions for the university. She said it is not necessary for a CPA to sit on the audit committee.

REPRESENTATIVE VAZQUEZ commented that an accountant may not be necessary to sit on the audit committee but it helps.

[8:27:42 AM](#)

REPRESENTATIVE SEATON, with regard to a single governor replacing the entire Board of Regents except the student regent, he said the bill reads that a governor could give a priority but it isn't required; therefore, the legislature would be authorizing a single governor to appoint an entirely new Board of Regents except the student regent and asked whether that would be problematic.

REGENT HECKMAN replied it would create an entirely new structure and reorganization would occur. An entirely new Board of Regents would mean that the currently sitting regents would no longer exist, she stated, and was not sure how her opinion would have a bearing on any of this as it would be up to the new group to organize themselves and conduct business.

REPRESENTATIVE SEATON clarified his question as to whether it takes time for new regents to come up to speed and learn the job, which might be an impediment if all regents were replaced at one time. He questioned whether that could be problematic as far as a new board getting started and running an efficient operation for the university.

REGENT HECKMAN agreed that efficiency could be lost. She noted that when she was first appointed, the eight year terms appeared to be a long appointment, but having now served four terms, she said, she understands the steep learning curve as it does take time to become knowledgeable and effective. Certainly, she pointed out, a learning curve exists among new members as the system is large and complex and the 4 newly appointed regents will be brought to speed as quickly as possible. She offered praise for the experience being brought by the new appointees.

[8:33:41 AM](#)

CHAIR KELLER commented that the knowledge and understanding of each regent is critically important and the "huge" responsibility placed on the volunteer Board of Regents is massive. He presumed that if the governor appoints, the

governor can also dismiss at will and asked whether there is any prohibition of the governor dismissing any regent and further asked whether there is anything in the Alaska State Constitution or statute regarding that issue.

REPRESENTATIVE SEATON directed attention to the committee packet and the March 21, 2015 Legal Services memo which states as follows:

The extent of the governor's authority is also uncertain, however, is a matter of some debate. An opinion from the state attorney general concludes that the governor does not have the power to remove a regent without cause.

8:35:33 AM

REGENT HECKMAN referred to an earlier comment regarding cost containment as a possible benefit to reduce the number of regents to 9 members, and said this is a non-compensated position for regents. She pointed out in her March 26, 2015 letter that she advised the cost savings for 2 fewer people is less than \$10,000.

CHAIR KELLER stated that in this budget crisis every cost is of concern and the loss of \$10,000 may not appear significant but it is in the perspective of the legislature.

REPRESENTATIVE GATTIS advised the research showed for FY14 for the Board of Regents was approximately \$294,626, with a division of 11 regents, the total is \$20,000 per regent and when removing 2 regents, it saves \$54,000. She argued that the average size of a proper business board is 9.2, and 9 is not uncommon. She discussed the transition from 11 members to 9 members of CSHB 107, on page 2, lines 20-22, which read:

TRANSITION. (a) ... In appointing regents under this section, the governor may give preference to regents who are serving on the effective date of secs. 1 - 3 of this Act.

REPRESENTATIVE GATIS continued that in looking for the skill already acquired, the governor can accommodate that. Lastly, she commented, it is important that the legislature considers making "true" changes in how it does business as this is a different time.

REPRESENTATIVE SEATON said he appreciates the cost breakdown except the major cost is staffing costs and in the event there are 9 regents rather than 11, he questioned whether the president would be fired or a staffer to the Board of Regents. He noted that travel includes meeting costs and regents traveling to graduations for the universities and it doesn't mean there would be less travel costs than if there are 11 regents. He maintained that taking the total cost and dividing it by the number of regents does not necessarily represent the savings expressed.

[8:42:27 AM](#)

CHRIS CHRISTENSEN, Associate Vice President of State Relations, University of Alaska, responded that many of the costs on the Board of Regents are fixed costs and will be identical whether there are 9 or 11 members. He noted the only savings would be travel and per diem that 2 less regents would save each year. Mr. Christensen offered the committee a fiscal note of \$9,600, which is a de minimus amount when discussing a billion dollars a year. He pointed out this is an unpaid citizens board and they do not receive a stipend. He noted he has worked for state government for 32 years and has seen many boards and agencies with this being his fourth year with the university, and personally believes it is the most complex operation the state has in terms of its size and variety of sources of revenue and the wide variety of functions it carries out. The amount of work the citizen unpaid board members have to do and are expected to know is tremendous. He opined that reducing the members of the board to 9 saves virtually no money, but does require the volunteer regents to spend even more time and to work harder to make up the amount of work the other 2 board members will not be able to share. He responded to the comment regarding research showing a typical corporate board is approximately 9.2 members and argued that actually a typical university board is 11-12 members which is considered best practices nationally.

[8:44:40 AM](#)

CHAIR KELLER asked whether the current presidential search committee, including people other than the Board of Regents, is unique.

MR. CHRISTENSEN deferred to Regent Heckman, but responded that the board brings in experts when necessary such as the legislature to testify in its committees, but the actual work,

knowledge over time, and voting, must be done by board members. He explained that a committee system has been created, much like the legislature, to help divide the work and that work will have to be divided among fewer regents, which makes their lives harder.

[8:46:18 AM](#)

REPRESENTATIVE VAZQUEZ asked how many subcommittees there are right now.

MR. CHRISTENSEN opined there are 4.

REPRESENTATIVE VAZQUEZ asked the subject matter of the subcommittees.

MR. CHRISTENSEN replied that he does not have the complete list but opined the subcommittees are: audit, student affairs, and academic. He deferred to Regent Heckman.

REPRESENTATIVE VAZQUEZ referred to earlier testimony in which the savings by eliminating 2 positions is travel and per diem and questioned whether the total for each of them \$9,600, or a combined total of \$19,200.

MR. CHRISTENSEN clarified that the total for both positions is be \$9,600, and offered a fiscal note.

REPRESENTATIVE DRUMMOND questioned the suggestion of inviting additional members to be members of the committee ex-officio or otherwise. She opined that would require per diem and travel expenses to those people being asked to assist the board and stated she could not see any savings in asking the board to expand their committees with non-regents.

CHAIR KELLER closed public testimony after ascertaining no one further wished to testify

[8:48:18 AM](#)

REPRESENTATIVE COLVER responded to Representative Vazquez that he located within the audit that the committee compositions include: audit, academics, student affairs, facilities and planning and development, and said he could foresee a merger of facilities and planning and development. He noted that the current regents are doing a great job and commented that if the state is paying the Limited Entry Commission members \$140,000 a

year, the legislature should consider compensation for the Board of Regents as there is an inequity and the regents are probably working hard than other "outfits." He said he sees a conflict of interest when regents comment on their own committee's policies and opined that it is more appropriate that the people's representatives make policy calls whether or not it is a 9 or 11 member board, and whether there is regional representation. Although, he remarked it is appropriate for regents to comment on administrative issues, function, operations of the Board of Regents, and the university. As far as policy setting on what that regency looks like, he opined, the legislature uses its better wisdom with what is happening, legislation being enacted, budgeting, and parity amongst Alaska's universities. He referred to the budgeting subcommittee actions taken in February when quite a large decrement was proposed for the university, and opined that CSHB 107 is in response to the comment that came back to the legislature that a possible result of the budget cut was closing campuses. He described that as an indication there is a problem with centralization of the university and not enough regionalism, and not enough support amongst the different regions of the state. He pointed out that legislators have difficulties representing areas that are not part of the main campus outside of Anchorage or Fairbanks in receiving attention to programs and resources to the other campuses. A suggestion to improve the board could be ensuring that a regent has a background in finances and, he noted, without campus expansion occurring the facilities committee will not be as busy. He maintained bringing regional expertise to the table and although the bill is not perfect he supports it as this is the conversation necessary for all of the university systems to be at the table weighing in, preventing duplication, offering an opportunity for better programs, and to have people with expertise. He reiterated that when budgeting, it is beneficial to have someone with a financial background and to consider a CPA-type person on a panel thereby allowing an in-depth analysis to the budget and advising the other members.

[8:54:30 AM](#)

CHAIR KELLER clarified that his comments regarding the subcommittees on the Board of Regents is that the Board of Regents controls itself and structures itself. He said there is nothing in statute that directs that, or does not direct that, as it is the Board of Regents' call and he was not suggesting that the legislature ought to be telling them to have subcommittees that don't include regents. The issue is that the

options are there and it is their option, not the legislatures, he expressed.

[8:55:10 AM](#)

REPRESENTATIVE KREISS-TOMKINS offered that he does not see an overwhelming logic for the reduction of regents from the information he has reviewed. He agrees with Representative Seaton and Mr. Christensen in that it appears most of costs listed on the sheet provided by Representative Gattis's office seem to be fixed. The cost savings is \$9,600 and if the state is scrounging around for \$9,600, it should be done within the Finance Subcommittee process. He related he is not certain that is the overwhelming motivation of the reduction to the Board of Regents as there are far more efficient and effective ways to capture far more than \$9,600. He referred to Regent Heckman's letter and pointed out that he knows nothing about the internal function of the Board of Regents, and the prescriptive comment that the Board of Regents should potentially merge committees - he does not feel the legislature is in an adequate position to make those suggestions. He expressed concern regarding the possible suggestion that non-[regent] members serve on committees for the regents, which would be like Regent Heckman walking in and serving on the House Education committee. He said that with regard to whether the board should be reduced, he performed a Fortune 500 search that indicates an average of 10.9 members serve on a board. There is no evidence that reducing the number will provide any relief and, he offered a cautionary approach to the legislation.

[8:59:38 AM](#)

REPRESENTATIVE DRUMMOND offered support in adding a member from the Matanuska-Susitna; however, reduction of the seats makes no sense. In essence, she pointed out, the legislature is asking a group of 11 volunteers, in an extremely complex organization, to make major changes in its governance at a time of severe budget cuts and crisis. She remarked this is not the time to change the number of members of the governing body of Alaska's universities. She described the cost savings as minuscule and was certain the regents often have telephonic meeting participation. [Technical difficulties] the size of the Board of Regents by 2 people will reduce the diversity and will reduce the representation of the rest of our "far flung" state, which also has every right to expect to be represented. She said she was certain the Board of Regents has significant staff support and anyone serving on an audit committee knows that the board

members do not perform the audits themselves as they hire a professional CPA firms to perform a single audit or the annual audit of the organization. Requiring a regent to be of a particular business background does not make sense to her from her own experience with good staff assistance and hiring contractors, she expressed. She reiterated that she completely supports a Matanuska-Susitna member, and to leave the number of regents alone for the time being.

9:04:10 AM

REPRESENTATIVE SEATON stated he is troubled by this bill in that the University of Alaska, which is one of the most important institutions of the state, is being told by the legislature to reorganize at a time in which the state is needing some vast changes. Currently, he noted, the regents have an eight year term of office with a rolling number so it goes beyond one governor and, yet, this bill establishes that one governor will appoint every regent. Another problem, he pointed out, is that the sponsor included a particular consideration so that seats open up from only a small portion of the state. For example, he said, a seat opens up from the Kenai Peninsula so the state needs someone from the Kenai Peninsula that is willing, has time, and the expertise to serve on a board which requires a vast amount of time on a voluntary basis. With this legislation there is a smaller board and having financial expertise, academic expertise, or facilities expertise ...

9:05:48 AM

CHAIR KELLER interjected "that is not part of the bill."

REPRESENTATIVE SEATON argued that it is part of the bill as the bill reads that the legislature will regionally select these people and as it has said in the past that it wants a Board of Regents with diversity and expertise, but there is no requirement for expertise. He said, "But if you lose the expertise of a certain issue, let's say financial, the banker that is there and brings some financial expertise. The only seat that opens up is one regional seat and you are going to have to have not only someone from that region that has the volunteer time and everything else, but to have the well-rounded board ... well-rounded regents, you are going to have somebody who is going to do this very difficult job on a voluntary basis and a lot of time that fills in that expertise cause you don't have the entire state coming forward." He said a problem discovered within the materials the committee received is that

there is not a list of people, who over time, have applied to be on the Board of Regents. Therefore, he stated, the legislature does know from the materials whether there have been members specifically from the Matanuska-Susitna who have put their name forward to be on the Board of Regents. The legislature may require the governor to search the Matanuska-Susitna area for someone, but the committee doesn't know whether people have come forward on a consistent basis to volunteer their name from each one of the regions the committee is now saying a Board of Regent must come from. He opined that reorganizing the regents in this manner is changing much of the dynamics of how the University Board of Regents would function, and where their expertise would come from. He said, " You know, we are elected representing districts and we support our districts and we come here to do that. And, as well as to consider the statewide implications. And I think putting these into regions so that you are elected to represent your region, basically, because you have a regional seat is going to give a whole different perspective to the University of Alaska and advancing the university in our state. So, I'm not going to support that bill."

[9:09:03 AM](#)

REPRESENTATIVE TALERICO commented that the need for a quorum can be easier to gather with fewer members on the board. He said the history of where the regents originally were seated is not helpful given the fact that Fairbanks was the only, or main campus, for much of the recorded time. Within the documents concern is expressed regarding promoting regionalism or geographic constituencies but, he opined, six different seats designated must come from different regions pushes back against regionalism. In the event there are 9 or 11 members, obviously one dominate sector of that board from one particular community promotes regionalism. He said, "I can't see anyone being able to overcome someone from the Municipality of Anchorage dealing with people from 4 other municipalities or 5 other municipalities having a regionalism advantage. I actually think that really creates more of a broad base of spread. It may not be popular with people from my area, but that's the way I see it. I think that is kind of an important feature here." Times change, Alaska has changed, and the demographics have changed dramatically so it may be difficult to swallow but, he said, he can see this change being appropriate in ascertaining that there is representation for all over. He opined that representation is a good idea, and he does not believe \$9,600 is insignificant in these times. He said he is supportive of this bill.

9:14:13 AM

The committee took an at-ease from 9:14 a.m. to 9:21 a.m.

9:21:20 AM

CHAIR KELLER expressed surprise that the Board of Regents and the University of Alaska is resistant to moving from 11 to 9 members. The Board of Regents works for the governor and it make policy decisions for the University of Alaska and he opined that a decision by 9 is easier than a decision by 11. He asked the committee to leave the members at 9 and suggested allowing the bill to move through for further discussion in succeeding committees, or to perhaps bring the question to argument on the House floor. He said he is appealing to the Board of Regents to reconsider and noted that the comparison of the House Education Standing Committee and the Board of Regents is "utterly ridiculous." The legislative committee does not deal with administrative workings, or hire its president, and there is an administrative element on the Board of Regents that is very different than this committee. Keep in mind, he expressed, that this is all in the context of a budget that has gone from 2006-present from \$750 million to approximately \$900 million. He said, "We're saying ... and our nexus with the Board of Regents, you know ... yeah, we get to confirm ... we are 7 of 60 here that get to confirm the Board of Regents, but our nexus is purely ... a portion of the university budget that we have responsibility and accountability to the people we represents. So, our nexus with the Board of Regents is that we have begged them to talk to us ... you know ... about the policies and ... this one thing on the finances ... and when you look at the finance ... the way the finances have increased, I think it is completely appropriate that we are interested in a bit of a ... causing a re-evaluation and a restructuring, if that is possible." Chair Keller advised he is open to a committee member making a motion to amend back to 11, and will oppose and ask for a vote, but his preference is that the committee will leave it in there at 9, and move it out with the understanding that discussion will continue. He said, "I confess that that was my idea, and it was my idea based on the fact that I've been on both size boards and I know what size I'd rather be on because it is very difficult for the staff to get a consensus, for example, from a group of people that have very diverse responsibilities, and interests, and distractions in their lives, and it just makes a more efficient system. He reiterated that the Board of Regents works for the governor, people of

Alaska, and the entire university system and governance-wise, it is smarter to have 9 members as opposed to 11 members.

9:25:48 AM

REPRESENTATIVE VAZQUEZ put forth that she wholeheartedly supports adding a seat for the Matanuska-Susitna Borough as it add geographic diversification, but changing the number from 11 to 9 members is troublesome. She pointed out that there was no evidence presented that quorums have been difficult to meet, and given these critical deficit times and the size of the budget, and opined that the regents have more work to do at this crucial time. She related that she was swayed by this morning's testimony and maintained that 11 members could only be helpful. She expressed concern regarding giving one governor the power to appoint all of the Board of Regents.

[Technical difficulties 9:28:20 - 9:28:25 a.m.]

9:28:25 AM

REPRESENTATIVE DRUMMOND advised she performed a search of Boards of Regent of other states and in New York state, where Representative Vazquez and Representative Drummond both attended Cornell University, which is not only an ivy league private college but is the land grant college of the New York State university system. She described it as unique in that New York has a many unique campuses and colleges that are part of its statewide college system. The New York Board of Regents has 17 members and granted they have 17 million people, but by that rationale Alaska should have one member of the Board of Regents.

CHAIR KELLER interjected that Representative Vazquez would like to move an amendment on that topic and the committee will debate the issue.

9:29:41 AM

REPRESENTATIVE VAZQUEZ proposed Conceptual Amendment 1 to CSHB 107, Version\P, such that the composition of the Board of Regents would increase from 9 to 11.

CHAIR KELLER clarified that Representative Seaton was not in objection to the previous adoption of Version P as the working draft.

CHAIR KELLER objected to Conceptual Amendment 1.

REPRESENTATIVE SEATON pointed out that the working draft accounts for the seating of 9 members, and expressed concern for supporting language regarding the committee reapportioning how the other 2 members are chosen.

CHAIR KELLER said that conceptually they go back to the 2 members at large, as in the previous version, and there would be 4 members at large as opposed to regional.

[9:31:06 AM](#)

REPRESENTATIVE COLVER offered a secondary amendment to Conceptual Amendment 1, such that the additional 2 members would fill into the public member category for a total of 4 public members.

REPRESENTATIVE VAZQUEZ clarified that [Amendment 1 to] Conceptual Amendment 1 would result in the following language change.

Page 2, Line 4:  
Following: (8)  
Delete: two  
Insert: four

REPRESENTATIVE COLVER related his understanding that the committee adopted Amendment 1 to Conceptual Amendment 1.

CHAIR KELLER, upon determining there were no further comments on [Amendment 1 to Conceptual Amendment 1, treated Amendment 1 to Conceptual Amendment 1 as adopted].

REPRESENTATIVE DRUMMOND requested assurance that the remainder of the proposed CS sections that apply to the transitioning from 11 members to 9. She asked that as this is a conceptual amendment, does that mean that should the amendment pass that those other sections of the CS will be rewritten.

CHAIR KELLER replied yes.

[9:32:32 AM](#)

A roll call vote was taken. Representatives Seaton, Vazquez, Colver, Drummond, and Kreiss-Tomkins voted in favor of Amendment 1, as amended. Representatives Keller and Talerico voted

against it. Therefore, Conceptual Amendment 1, as amended, was adopted by a vote of 5-2.

[9:33:28 AM](#)

REPRESENTATIVE SEATON noted that the transition language may require clarity for how a member in a regional seat may complete their term following a change of residency. He said, "We still have it that the governor will appointed everybody but that if a person ... um ... moves, they get to complete their 8 year term even though they no longer represent the Mat-Su if they move to Anchorage, they'll still be considered the Mat-Su representative even though they've moved to Fairbanks, or the Kenai Peninsula, or ... I'm unsure how that works, if they're going to now ... now going to be completing their term ... and yet it's a long term and yet they were selected as a Mat-Su representative who now lives in Anchorage. And I just want to get some discussion on ... what that ..."

CHAIR KELLER interrupted and asked Representative Seaton to restate his question because the transition section, as far as people moving, has not changed because the committee went from 9 members to 11 members. He asked whether this is a new question or is Representative Seaton bringing up the question that was not addressed sufficiently in the first bite.

REPRESENTATIVE SEATON responded that he didn't think it was addressed sufficiently on the first bite and adopting the CS from the previous version that had someone terminate when they changed residency. He referred to page 2, lines 10-11, which read:

... who ceases to meet the residency requirement for the position may complete the regent's term of office.

REPRESENTATIVE SEATON continued that someone from the Matanuska-Susitna who is [appointed] would still represent the Matanuska-Susitna even though they live in Kenai. He said, "I'm trying to figure out how all this all works cause that would be a seat for the Mat-Su even though they had moved, and that the next available regent wouldn't be another person who represented the Mat-Su but would be for that ... that office ... of which ever one came up whether this is Fairbanks Northstar Borough would come up, or ..." He expressed that he doesn't understand the language as written and determined the bill requires more work as it is not clear how it all will function.

[9:36:16 AM](#)

REPRESENTATIVE GATTIS responded that the portion of the bill Representative Seaton referred to is part of the bill that has not been amended and assumed the language will remain. She advised that residency is 2 years in the regent's area, for example, in the event a regent is 2 years in the Matanuska-Susitna and moves to Homer, that regent remains in the Matanuska-Susitna seat for the next six years in Homer. In the event a regent must be chosen from the Homer area, they may because the initial regent remains in the Matanuska-Susitna seat.

REPRESENTATIVE SEATON stated he was simply asking for clarification due to the difference in the original HB 107 that read if there were changes the regent would terminate and a new regent from that area comes in. Whereas, the CSHB 107 reads that when a regent is appointed in the Matanuska-Susitna area they can move at any time and do not have to remain the area for 2 years and the full term would be served wherever the regent resides and still fulfill the Matanuska-Susitna seat.

REPRESENTATIVE GATTIS commented that during the prior committee hearing members brought that issue to the table, which is why the language was changed.

[9:38:40 AM](#)

REPRESENTATIVE VAZQUEZ moved to report CSHB 107, Version P, as amended, out of committee with individual recommendations and the accompanying fiscal notes.

REPRESENTATIVE SEATON objected stating that the committee is attempting to address a perceived problem, but he described is an unsubstantiated problem. He opined that the committee is creating many additional changes and problems for the Board of Regents through looking at a perceived problem.

[9:39:59 AM](#)

A roll call vote was taken. Representatives Kreiss-Tomkins, Talerico, Vazquez, Colver, Drummond, and Keller voted in favor of CSHB 107, 29-LS0465\P, Glover, 3/21/15, as amended. Representative Seaton voted against it. Therefore, CSHB 107 (EDC) was reported out of the House Education Standing Committee by a vote of 6-1.

9:40:54 AM

**ADJOURNMENT**

There being no further business before the committee, the House Education Standing Committee meeting was adjourned at 9:40 a.m.