

**ALASKA STATE LEGISLATURE
HOUSE STATE AFFAIRS STANDING COMMITTEE**

February 2, 2016
8:08 a.m.

TIMESTAMP

MEMBERS PRESENT

Representative Bob Lynn, Chair
Representative Wes Keller, Vice Chair
Representative Louise Stutes
Representative David Talerico
Representative Max Gruenberg
Representative Jonathan Kreiss-Tomkins

MEMBERS ABSENT

Representative Liz Vazquez

COMMITTEE CALENDAR

HOUSE BILL NO. 217

"An Act relating to special request registration plates commemorating the arts; and relating to the Alaska State Council on the Arts."

- MOVED CSHB 217(STA) OUT OF COMMITTEE

SENATE BILL NO. 9

"An Act repealing the authority to include certain material from a political party in the election pamphlet."

- MOVED HCS SB 9(STA) OUT OF COMMITTEE

HOUSE BILL NO. 243

"An Act relating to the permanent fund dividend; and relating to a permanent fund dividend for an individual whose conviction has been vacated, reversed, or dismissed or for an individual who has been pardoned because of innocence and wrongful conviction."

- MOVED CSHB 243(STA) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HB 217

SHORT TITLE: SP. REQ. ARTS LICENSE PLATES; COMPETITION

SPONSOR(s): REPRESENTATIVE(s) KREISS-TOMKINS

01/19/16 (H) PREFILE RELEASED 1/8/16
01/19/16 (H) READ THE FIRST TIME - REFERRALS
01/19/16 (H) STA, FIN
01/26/16 (H) STA AT 8:00 AM CAPITOL 106
01/26/16 (H) Heard & Held
01/26/16 (H) MINUTE(STA)
02/02/16 (H) STA AT 8:00 AM CAPITOL 106

BILL: SB 9

SHORT TITLE: ELECTION PAMPHLETS

SPONSOR(s): SENATOR(s) MICCICHE

01/21/15 (S) PREFILE RELEASED 1/9/15
01/21/15 (S) READ THE FIRST TIME - REFERRALS
01/21/15 (S) STA, FIN
02/26/15 (S) STA AT 9:00 AM BUTROVICH 205
02/26/15 (S) Heard & Held
02/26/15 (S) MINUTE(STA)
04/14/15 (S) STA RPT 3DP 2NR
04/14/15 (S) DP: COGHILL, HUGGINS, MCGUIRE
04/14/15 (S) NR: STOLTZE, WIELECHOWSKI
04/14/15 (S) STA AT 8:00 AM BUTROVICH 205
04/14/15 (S) Moved SB 9 Out of Committee
04/14/15 (S) MINUTE(STA)
04/16/15 (S) FIN AT 9:00 AM SENATE FINANCE 532
04/16/15 (S) Heard & Held
04/16/15 (S) MINUTE(FIN)
04/16/15 (S) FIN AT 1:30 PM SENATE FINANCE 532
04/16/15 (S) Moved SB 9 Out of Committee
04/16/15 (S) MINUTE(FIN)
04/17/15 (S) FIN RPT 4DP 2NR
04/17/15 (S) DP: MACKINNON, MICCICHE, BISHOP,
HOFFMAN
04/17/15 (S) NR: DUNLEAVY, OLSON
04/18/15 (S) TRANSMITTED TO (H)
04/18/15 (S) VERSION: SB 9
04/19/15 (H) READ THE FIRST TIME - REFERRALS
04/19/15 (H) STA
01/26/16 (H) STA AT 8:00 AM CAPITOL 106
01/26/16 (H) Heard & Held
01/26/16 (H) MINUTE(STA)
02/02/16 (H) STA AT 8:00 AM CAPITOL 106

BILL: HB 243

SHORT TITLE: CRIM. CONV. OVERTURNED: RECEIVE PAST PFD

SPONSOR(s): REPRESENTATIVE(s) LYNN

01/19/16 (H) PREFILE RELEASED 1/15/16
01/19/16 (H) READ THE FIRST TIME - REFERRALS
01/19/16 (H) STA, FIN
01/26/16 (H) STA AT 8:00 AM CAPITOL 106
01/26/16 (H) Heard & Held
01/26/16 (H) MINUTE(STA)
02/02/16 (H) STA AT 8:00 AM CAPITOL 106

WITNESS REGISTER

AMY ERICKSON, Director
Division of Motor Vehicles
Department of Administration (DOA)
Anchorage, Alaska

POSITION STATEMENT: Testified that the division had no objection to HB 217.

CHUCK KOPP, Staff
Senator Peter Micciche
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Presented SB 9 on behalf of Senator Micciche, prime sponsor.

JOHN LINBECK, Executive Director
Electronic Registration Information Center (ERIC)
Washington, D.C.

POSITION STATEMENT: Provided information on SB 9, Version 29-LS0244\N.

SENATOR PETER MICCICHE
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: As prime sponsor, presented SB 9.

DENEEN TUCK, Staff
Representative Bob Lynn
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Presented HB 243 on behalf of Representative Lynn, prime sponsor.

SARA RACE, Director
Central Office
Permanent Fund Dividend Division

Department of Revenue (DOR)
Juneau, Alaska

POSITION STATEMENT: Answered questions relating to HB 243.

HILARY MARTIN, Attorney
Legislative Legal Counsel
Legislative Legal and Research Services
Legislative Affairs Agency (LAA)
Juneau, Alaska

POSITION STATEMENT: Answered questions relating to HB 243.

NANCY MEADE, General Counsel
Administrative Staff
Office of the Administrative Director
Alaska Court System
Anchorage, Alaska

POSITION STATEMENT: Answered questions relating to HB 243.

ACTION NARRATIVE

[8:08:41 AM](#)

CHAIR BOB LYNN called the House State Affairs Standing Committee meeting to order at 8:08 a.m. Representatives Lynn, Keller, Stutes, Talerico, and Kreiss-Tomkins were present at the call to order. Representative Gruenberg arrived as the meeting was in progress.

HB 217-SP. REQ. ARTS LICENSE PLATES; COMPETITION

[8:09:16 AM](#)

CHAIR LYNN announced that the first order of business would be HOUSE BILL NO. 217, "An Act relating to special request registration plates commemorating the arts; and relating to the Alaska State Council on the Arts."

[Before the committee was the proposed committee substitute (CS) for HB 217, Version 29-LS0999\N, Martin, 1/25/16, adopted as a work draft on 1/26/16.]

[8:09:54 AM](#)

REPRESENTATIVE KREISS-TOMKINS, as prime sponsor, presented HB 217. He stated that the proposed legislation was an "American Idol" type competition for an Alaskan statewide license plate design to be held every four years administered and juried by

the Alaska State Council on the Arts (ASCA). The final designs would be picked by juries selected by the ASCA, and a winner would be selected by popular vote.

CHAIR LYNN asked what "American Idol" was.

REPRESENTATIVE KREISS-TOMKINS answered that "American Idol" was a reality television show in which singers competed before a jury and ultimately the public was invited to vote on their choice of best singer. He further stated that this was a similar idea except it was for license plate design and art portraying Alaska. He said that the idea behind this is that every license plate in Alaska is a canvas and Alaska artists would have the ability to compete to put their designs forth as a license plate design that Alaskans can choose for their vehicles. The revenue from this competition would go to help fund ASCA. He stated the intent of HB 219 is to generate a modest revenue stream for ASCA and to make sure that Alaska has the most stunning and beautiful license plates - designed by Alaskans - of all 50 states in the nation.

[8:12:30 AM](#)

REPRESENTATIVE KREISS-TOMKINS relayed that the Division of Motor Vehicles (DMV) requested the fee for the plate, as shown on page 1, line 14, of Version N, be changed from \$35 to \$50 for internal consistency.

REPRESENTATIVE KELLER asked how the \$50 fee was derived from the existing \$150 fee currently in law.

REPRESENTATIVE KREISS-TOMKINS offered his understanding that the \$150 fee in law is out-of-date and was for a plate design that is not currently offered. The drafters of the proposed legislation mistakenly used the \$150 fee amount.

[8:13:47 AM](#)

REPRESENTATIVE KELLER moved to adopt Amendment 1, as follows:

Page 1, line 14:
Delete "\$35"
Insert "\$50"

There being no objection, Amendment 1 was adopted.

[8:14:02 AM](#)

REPRESENTATIVE KREISS-TOMKINS commented that it was a pleasure working with ASCA and various artists in Alaska who are excited about visioning this process.

CHAIR LYNN opened public testimony on HB 217.

[8:14:34 AM](#)

AMY ERICKSON, Director, Division of Motor Vehicles, Department of Administration (DOA), stated that the division has no objections to HB 217.

[8:15:08 AM](#)

REPRESENTATIVE KELLER REPRESENTATIVE moved to report CSHB 217, Version 29-LS0999\N Martin, 1/25/16, as amended, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 217(STA) was reported from the House State Affairs Standing Committee.

[8:15:36 AM](#)

The committee took an at-ease from 8:16 a.m. to 8:17 a.m.

SB 9-ELECTION PAMPHLETS

[8:17:44 AM](#)

CHAIR LYNN announced that the next order of business would be SENATE BILL NO. 9, "An Act repealing the authority to include certain material from a political party in the election pamphlet."

[Before the committee was the proposed committee substitute (CS) for SB 9, Version 29-LS0244\W Bullard, 12/9/15, adopted as a work draft on 1/26/16.]

[8:18:27 AM](#)

CHUCK KOPP, Staff, Senator Peter Micciche, Alaska State Legislature, testifying on behalf of Senator Micciche, prime sponsor, directed attention to a new proposed committee substitute (CS) for SB 9, [Version 29-LS0244\N, Bullard, 2/1/16], which he said takes into account the information security standard that is recognized as best practice in the industry for transmission of [confidential voter registration

records]. He said Representative Keller had brought to the sponsor's attention that it would be good to have that [information] stated in the law to demonstrate that Alaska not only wants to adhere to the best practice of data security but also to emphasize the confidentiality of the data being transmitted under the section. Mr. Kopp stated that the prime sponsor agrees with the new language entirely.

CHUCK KOPP, in response to Chair Lynn, clarified that the additional portion of the language mentioning the data security standard, is on page 2, lines 24-27, of Version N.

[8:20:06 AM](#)

REPRESENTATIVE KELLER moved to adopt the proposed committee substitute (CS) for SB 9, Version 29-LS0244\N, Bullard, 2/1/16, as a work draft. There being no objection, Version N was before the committee.

[8:20:35 AM](#)

MR. KOPP explained that current statute provides that anyone who registers to vote may access any one of a number of online abilities to register. The proposed legislation would regulate the confidentiality of how data can be released by the division. On page 2, lines 17-27, of Version N, language has been added to allow the sharing of voter registration information with states that have organized together for the purpose of verifying voter registration information - a state-led and state-regulated initiative - and includes the aforementioned language that would set best practices for industry security with respect to data.

[8:21:41 AM](#)

REPRESENTATIVE GRUENBERG alluded to a previous discussion [with the sponsor] about an amendment regarding the election pamphlet, and he stated his understanding that the prime sponsor would prefer that [such an amendment] not be added to this bill.

MR. KOPP responded that [Representative Gruenberg] was correct.

[8:22:15 AM](#)

REPRESENTATIVE KELLER clarified the new language proposed under Version N would add that "the information security standards of the International Organization for Standardization;" has to be in place "or a published information security standard used by

the State of Alaska and approved by the Department of Administration". He believed it to be an elegant sideboard that needed to be included in [the proposed legislation] and appreciated the sponsor's willingness to put it in.

[8:22:48 AM](#)

REPRESENTATIVE GRUENBERG requested a description of the International Organization for Standardization and its security standards be put on the record.

[8:23:27 AM](#)

JOHN LINBECK, Executive Director, Electronic Registration Information Center (ERIC), offered that the International Standards Organization (ISO) sets standards for business practices around the world. The organization has an extensive set of standards for businesses and agencies that store and protect private data with regard to security of data. Auditors use these standards to audit a data center. It is the most common and respected standard and consists of many pages of requirements and standards that those protecting data are required to follow. It is considered the industry standard.

REPRESENTATIVE GRUENBERG thanked Mr. Linbeck and Representative Keller for their testimony.

[8:25:10 AM](#)

SENATOR PETER MICCICHE, Alaska State Legislature, as prime sponsor, expressed his support of SB 9 and its merits, and he expressed his appreciation for the committee's improvements to the proposed legislation as he believes the security of the confidentiality of the records is extremely important, especially as [Alaska] participates in a national database.

[8:25:48 AM](#)

REPRESENTATIVE STUTES asked for what purpose the information going into the national database would be used.

SENATOR MICCICHE replied that the information actually doesn't go into a national database. Alaska's information would be processed using a national database to determine that the voter rolls are secure and people are not registered elsewhere. Alaska's information, however, would remain secure.

[8:26:37 AM](#)

MR. KOPP reiterated that this database is state-led, state-organized, and state-controlled; there is no link with any federal or national database.

[8:27:06 AM](#)

CHAIR LYNN, after ascertaining no one wished to testify, closed public testimony on CSSB 9.

[8:27:16 AM](#)

REPRESENTATIVE KELLER moved to report CSSB 9, Version 29-LS0244\N, Bullard, 2/1/16, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSSB 9(STA) was reported from the House State Affairs Standing Committee.

[8:28:03 AM](#)

The committee took an at-ease from 8:28 a.m. to 8:30 a.m.

HB 243-CRIM. CONV. OVERTURNED: RECEIVE PAST PFD

[8:30:32 AM](#)

CHAIR LYNN announced that the final order of business would be HOUSE BILL NO. 243, "An Act relating to the permanent fund dividend; and relating to a permanent fund dividend for an individual whose conviction has been vacated, reversed, or dismissed or for an individual who has been pardoned because of innocence and wrongful conviction."

[CHAIR LYNN passed the gavel to Vice Chair Keller.]

[8:31:05 AM](#)

REPRESENTATIVE STUTES moved to adopt the proposed committee substitute (CS) for HB 243, Version 29-LS1279\F, Martin, 1/29/16, as a work draft.

REPRESENTATIVE GRUENBERG objected for discussion. He then withdrew the objection. [There being no further objection, Version F was before the committee as a work draft.]

CHAIR LYNN, as prime sponsor, expressed the importance of HB 243 and asked staff to present the bill.

[8:32:21 AM](#)

DENEEN TUCK, Staff, Representative Bob Lynn, Alaska State Legislature, presented HB 243 on behalf of Representative Lynn, prime sponsor. She explained that the only change to HB 243 in Version F was modification to the title. As background to the proposed legislation, Ms. Tuck relayed that when "the Fairbanks Four" were released, Chair Lynn noticed an injustice on the books. There was no follow up for an Alaskan convicted of a felony, if the conviction was overturned, for recourse in filing for the permanent fund dividend (PFD). This proposed legislation allows all Alaskans, who have experienced that injustice, to apply for the PFD.

REPRESENTATIVE GRUENBERG said that at the last hearing, a number of issues were raised, and after talking to Mr. Burnett [Deputy Commissioner, Department of Revenue (DOR)], he was able to have many of his questions answered. He repeated a question asked by Representative Talerico [during the previous bill hearing on 1/26/16], regarding how the proposed legislation addresses a situation in which a person convicted of multiple offenses has only one [conviction] reversed.

[8:34:49 AM](#)

MS. TUCK stated that in the committee packet is a memorandum ("memo") from Legislative Legal and Research Services dated January 29, 2016, and that question is addressed on page 2 of the memo where it is labeled question number 3.

[8:35:09 AM](#)

The committee took an at-ease from 8:35 a.m. to 8:37 a.m. to review the memo.

[8:37:24 AM](#)

REPRESENTATIVE KELLER observed that the memo answered the five questions posed at the last meeting.

[8:37:55 AM](#)

REPRESENTATIVE GRUENBERG expressed his appreciation for these answers and acknowledged Ms. Tuck's observation.

REPRESENTATIVE GRUENBERG referred to the last sentence of the answer to question 4 in the memo, which read as follows: "If a person receives a dividend after being released, that dividend is subject to garnishment." He asserted his concern that there is nothing to entice the obligor to apply for a PFD if it will be taken for taxes and child support. He asked what can be done so that the needy parent can get that "back child support."

[8:40:59 AM](#)

SARA RACE, Director, Permanent Fund Dividend Division, Department of Revenue (DOR), replied that [this situation] would be similar to any other garnishment type. She maintained that because the PFD is a voluntary program, the way in which the division explains it to individuals is that [the garnishment] is an amount of money that is going toward a debt that they owe.

REPRESENTATIVE GRUENBERG asked if there was any mechanism in state law to allow the Child Support Enforcement Division (CSED) or another entity to be subrogated to the obligor's right to get the dividend and allow [CSED] to apply through an agency or another method.

MS. RACE asked Representative Gruenberg if he was asking if the Child Support Division could require that the individual file for the dividend so that the funds would be available for child support.

REPRESENTATIVE GRUENBERG replied either that [scenario] or some mechanism that would allow the CSED to apply on behalf of the recalcitrant obligor.

MS. RACE responded that she was not aware of any such provision but could check into it.

[8:42:31 AM](#)

REPRESENTATIVE KELLER offered that [the issue] was outside the scope of the proposed legislation and may require different legislation.

REPRESENTATIVE GRUENBERG referred to page 1, lines 10-13, of Version F, reading, "if the individual's conviction is vacated or reversed, and (1) the charges on which the conviction was based are later dismissed; or (2) the individual is retried and found not guilty." In stating his question, regarding the final

disposition of the case, Representative Gruenberg said he realized he had answered his own question.

[8:44:34 AM](#)

REPRESENTATIVE GRUENBERG paraphrased the last paragraph of the proposed legislation under "transition" which states that notwithstanding the normal time limit for applying for a dividend, an individual who is eligible under the proposed legislation must apply for a dividend not later than 120 days after the effective date of the Act. He contended that it is clear to him that the intent is to allow people to apply regardless of when they were exonerated or when they died. However, he added that the answer to question 2 in the memo says another provision of the law might bar them from doing that: "If a person dies after the time limit has already passed, [the 120 day time limit under AS 43.23.005(j)], the estate would not be able to apply for the dividends." He alleged that this relates to HB 243, from page 1, line 14, to the top of page 2. He asked Ms. Race if the proposed legislation eliminates the right of certain estates of people who had been wrongfully convicted to apply for the dividend.

MS. RACE explained that with a regular estate application, there a limit of one year from the time of death for the estate representative to be able to apply. She further stated that "this [provision] would be somewhat extending that time period if the person passed within the year and 120 days."

[8:49:07 AM](#)

HILARY MARTIN, Attorney at Law, Legislative Legal and Research Services, Legislative Affairs Agency, responded that the 120-day time limit in the memo refers to both people under Section one of the bill - those whose conviction gets overturned after the effective date of the act and anyone who's conviction was overturned years ago - and under HB 243 they would have 120 days after the effective date to apply. In either situation the estate would have 120 days, just the same as a person who was not deceased.

[8:49:47 AM](#)

REPRESENTATIVE GRUENBERG focused on the people whose convictions were overturned prior to the effective date of the bill, and he asked if in these cases where the estates would have been closed

some time ago there was a mechanism by which these estates can be reopened to allow them to receive these dividends.

MS. MARTIN admitted that she is not well-versed in estates and probate, but said she knows that the provision in Section 3 gives an additional 120 days to apply for anyone whose conviction was before the effective date of the Act.

REPRESENTATIVE GRUENBERG opined that this could involve a substantial amount of money for a small estate, especially if child support is involved. He asked if a closed estate could be reopened to allow an application under the bill. He affirmed that he did not want to hold up the bill, but offered that this was something that could have a real effect.

[8:51:55 AM](#)

VICE CHAIR KELLER said he thinks that this issue is beyond this proposed legislation and an additive thing, and he would like to press on.

REPRESENTATIVE GRUENBERG advised that this constitutes a policy decision, and he recommended the committee be aware of making that policy decision in case the issue comes up in the future.

VICE CHAIR KELLER expressed his appreciation for Representative Gruenberg's comments and putting them on the record.

[8:52:54 AM](#)

VICE CHAIR KELLER, after ascertaining no one wished to testify, closed public testimony on HB 243.

[8:53:41 AM](#)

The committee took an at-ease from 8:53 a.m. to 8:54 a.m.

[8:54:37 AM](#)

REPRESENTATIVE GRUENBERG asked Vice Chair Keller if Nancy Meade could go on record to respond to his previous questions.

VICE CHAIR KELLER reopened public testimony on HB 243.

REPRESENTATIVE GRUENBERG restated his question.

[8:55:35 AM](#)

MS. MEADE, Administrative Staff, Office of the Administrative Director, Alaska Court System, responded that she, too, was not well versed in probate law; therefore, her response wouldn't be definitive. She said that she sees no barrier to someone applying for a PFD on a deceased person's behalf, and HB 243 would give the person [applying], and therefore the estate, the right to collect the PFD. She stated her assumption that the [Permanent Fund Dividend] would accept an application from somebody on behalf of a deceased individual.

REPRESENTATIVE GRUENBERG clarified that his question was not whether the PFD application would be accepted but whether there is a mechanism for reopening a closed estate.

[8:57:12 AM](#)

MS. MEADE replied that she did not have a definitive answer to the question.

VICE CHAIR KELLER closed public testimony on HB 243.

REPRESENTATIVE KREISS-TOMKINS said he liked the proposed legislation.

[8:57:43 AM](#)

REPRESENTATIVE STUTES moved to report CSHB 243, Version 29-LS1279\F, Martin, 1/29/16, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 243(STA) was reported out of the House State Affairs Standing Committee.

[8:59:02 AM](#)

The committee took a brief at-ease at 8:59 a.m., during which time Vice Chair Keller returned the gavel to Chair Lynn.

[8:59:35 AM](#)

ADJOURNMENT

There being no further business before the committee, the House State Affairs Standing Committee meeting was adjourned at 9:00 a.m.