

ALASKA STATE LEGISLATURE
SENATE STATE AFFAIRS STANDING COMMITTEE

March 24, 2016

9:02 a.m.

MEMBERS PRESENT

Senator Bill Stoltze, Chair
Senator John Coghill, Vice Chair
Senator Charlie Huggins
Senator Bill Wielechowski

MEMBERS ABSENT

Senator Lesil McGuire

COMMITTEE CALENDAR

HOUSE BILL NO. 175

"An Act establishing November 1 as Military Family Day."

- MOVED HB 175 OUT OF COMMITTEE

SENATE BILL NO. 154

"An Act relating to special registration plates commemorating the Blood Bank of Alaska."

- MOVED CSSB 154(STA) OUT OF COMMITTEE

SENATE BILL NO. 171

"An Act relating to the duties of the Department of Administration; relating to payment of judgment against the state; relating to pre-audit of claims; relating to travel costs and travel outside the state; repealing authorization and administration of the Department of Administration to make advances to the University of Alaska; and repealing the United States savings bond purchase plan."

- HEARD & HELD

SENATE CONCURRENT RESOLUTION NO. 16

Urging the Governor to designate a location for a special session of the Twenty-Ninth Alaska State Legislature, if called after adjournment of the First Regular Session of the Twenty-

Ninth Alaska State Legislature, that is in a community on the state's road system.

- MOVED CSSCR 16(STA) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HB 175

SHORT TITLE: ESTABLISH MILITARY FAMILY DAY

SPONSOR(s): LYNN

04/01/15 (H) READ THE FIRST TIME - REFERRALS
04/01/15 (H) STA
01/21/16 (H) STA AT 8:00 AM CAPITOL 106
01/21/16 (H) Moved HB 175 Out of Committee
01/21/16 (H) MINUTE(STA)
01/22/16 (H) STA RPT 7DP
01/22/16 (H) DP: TALERICO, STUTES, VAZQUEZ,
GRUENBERG, KREISS-TOMKINS, LYNN, KELLER
01/25/16 (H) TRANSMITTED TO (S)
01/25/16 (H) VERSION: HB 175
01/27/16 (S) READ THE FIRST TIME - REFERRALS
01/27/16 (S) STA
03/24/16 (S) STA AT 9:00 AM BUTROVICH 205

BILL: SB 154

SHORT TITLE: BLOOD BANK OF ALASKA LICENSE PLATES

SPONSOR(s): STATE AFFAIRS BY REQUEST

01/21/16 (S) READ THE FIRST TIME - REFERRALS
01/21/16 (S) STA, FIN
03/24/16 (S) STA AT 9:00 AM BUTROVICH 205

BILL: SB 171

SHORT TITLE: DOA PAYMENTS; REPEAL OTHER DOA DUTIES

SPONSOR(s): RULES BY REQUEST OF THE GOVERNOR

02/05/16 (S) READ THE FIRST TIME - REFERRALS
02/05/16 (S) STA, FIN
02/18/16 (S) STA AT 8:30 AM BUTROVICH 205
02/18/16 (S) Heard & Held
02/18/16 (S) MINUTE(STA)

BILL: SCR 16

SHORT TITLE: SPECIAL SESSION TO BE HELD ON ROAD SYSTEM

SPONSOR(s): STOLTZE

04/18/15 (S) READ THE FIRST TIME - REFERRALS
04/18/15 (S) STA
03/15/16 (S) STA AT 9:00 AM FAHRENKAMP 203
03/15/16 (S) Heard & Held
03/15/16 (S) MINUTE(STA)
03/24/16 (S) STA AT 9:00 AM BUTROVICH 205

WITNESS REGISTER

ESTER MIELKE, Staff
Representative Bob Lynn
Alaska State Legislature
Juneau, Alaska
POSITION STATEMENT: Provided an overview of HB 175.

LAURIE HUMMEL, Commissioner
Department of Military and Veterans' Affairs
Anchorage, Alaska
POSITION STATEMENT: Testified in support of HB 175.

VERDIE BOWEN, Director
Office of Veterans' Affairs
Alaska Department of Military and Veterans' Affairs
Anchorage, Alaska
POSITION STATEMENT: Answered questions regarding HB 175.

BRANDON BREFCZYNSKI, Staff
Senator Bill Stoltze
Alaska State Legislature
Juneau, Alaska
POSITION STATEMENT: Explained the committee substitute for SB 154.

TIM BENINTENDI, Secretary
Board of Directors
Blood Bank of Alaska
Anchorage, Alaska
POSITION STATEMENT: Testified in support of SB 154.

ROBERT SCANLON, Chief Executive Officer
Blood Bank of Alaska
Anchorage, Alaska
POSITION STATEMENT: Testified in support of SB 154.

CHRIS MELLO, Member
Board of Directors
Blood Bank of Alaska

Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 154.

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

POSITION STATEMENT: Answered administrative questions regarding SB 154.

VERDIE BOWEN, Director
Office of Veterans' Affairs
Alaska Department of Military and Veterans' Affairs
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 154.

DANIEL GEORGE, Staff
Senator Bill Stoltze
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Provided an overview of the committee substitutes for SB 171 and SCR 16.

ACTION NARRATIVE

[9:02:48 AM](#)

CHAIR BILL STOLTZE called the Senate State Affairs Standing Committee meeting to order at 9:02 a.m. Present at the call to order were Senators Wielechowski, Coghill, Huggins, and Chair Stoltze.

HB 175-ESTABLISH MILITARY FAMILY DAY

[9:03:55 AM](#)

CHAIR STOLTZE announced the consideration of HB 175.

[9:04:01 AM](#)

ESTER MIELKE, Staff, Representative Bob Lynn, Alaska State Legislature, Juneau, Alaska, read the sponsor statement for HB 175 as follows:

Military families are the folks back home who help keep our warriors at peak effectiveness, be it stateside duty or combat duty. Worrying about your kid's homework, getting the bills paid on time, or

worrying about anything at all back home is not something that is safe to do when the enemy is attempting to kill you.

The military family is major source of morale and the foundation of what's good about our military. The day someone joins the military is the day that the family virtually joins the military too. When we support the military family, we support the military member.

Many service members transfer from one place to another about every two years, this means the family also moves to somewhere else. The kids change schools, maybe in their senior year; churches are changed; the spouse may have to give up their job; and of course the curtains don't fit the new place. The spouse, some say, has the toughest job in our military.

The military deserves having a day set aside to honor their military families and to recognize a major source of their morale and strength. HB 175 establishes "Military Family Day" to honor and support families of our service men and women in Alaska every year on November 1st. Nationally, November is designated as National Military Family Month. The President of the United States typically makes an annual announcement to inform the public about this month. We thought it was fitting to have our Alaskan Military Family Day to coincide with the beginning of the nationally designated month.

[9:06:33 AM](#)

SENATOR COGHILL noted that November 1 was "All Saints' Day" and asked if there was any correlation.

MS. MIELKE answered no.

SENATOR COGHILL remarked that military families quite often could be nominated for sainthood.

CHAIR STOLTZE commented that the committee members represent communities that support veterans and their families. He noted that two committee members were veterans and guessed that the bill would have a lot of receptivity.

SENATOR HUGGINS commented that his wife asked to thank Representative Lynn for his thought and consideration put into

the bill. He noted that his wife was the mother of three children that were in the military.

9:09:26 AM

COMMISSIONER LAURIE HUMMEL, Department of Military & Veterans' Affairs (DMVA), Anchorage, Alaska, testified in support of HB 175. She stated that while she was always prepared to publically acknowledge the patriotism, dedication, and skill of Alaska's military men and women, she was especially pleased to focus on the enormous contributions made by the military families that the public rarely sees. She revealed that she understood the importance of service members' families because her father was in the military for 24 years and noted that she, as well as her spouse, have been deployed soldiers as well. She remarked that the spouse left behind has the harder job with twice the work, all the worry, more time to think about it, and none of the credit.

He said there were a lot of families whose service members' deployments resulted in life-altering injuries and the family members' lives were just as effected as those of the service members. She added that when a member of the military loses his or her life in service, the "Gold Star" families left behind find a way to move forward; but really, they never fully heal.

She disclosed that 74,000 veterans call Alaska home and the state has the highest veterans per capita in the country. She said Alaska was lucky to keep the experience of its veterans and fortunate that their families follow suit. She set forth that Alaska's veterans and their families deserve the state's unwavering support. She asserted that Alaska's veteran success was not sustained by what they had already done, but what more they would provide. She set forth that HB 175 shows the state's appreciation, especially to the military families, the backbone of the military. She said she agreed with Senator Coghill that recognizing military families on All Saints' Day was appropriate.

CHAIR STOLTZE asked Mr. Bowen if he had attended all of the Alaska Veterans Advisory Council (AVAC) meetings.

9:14:15 AM

VERDIE BOWEN, Director, Office of Veterans' Affairs, Alaska Department of Military and Veterans Affairs, Anchorage, Alaska, answered yes.

CHAIR STOLTZE asked if AVAC had any discussions regarding HB 175.

MR. BOWEN answered no.

[9:16:16 AM](#)

At ease.

[9:17:05 AM](#)

CHAIR STOLTZE called the committee back to order. He asked Senator Huggins, the senior veteran committee member, to make a motion on HB 175.

[9:17:34 AM](#)

SENATOR HUGGINS moved to report HB 175, [29-LS0814\A], from committee with individual recommendations and attached zero fiscal note.

[9:17:45 AM](#)

CHAIR STOLTZE announced that hearing no objection, HB 175 moves from committee.

[9:17:50 AM](#)

At ease.

SB 154-BLOOD BANK OF ALASKA LICENSE PLATES

[9:18:33 AM](#)

CHAIR STOLTZE called the committee back to order. He announced the consideration of SB 154 and asked for a motion to adopt the committee substitute (CS).

[9:19:08 AM](#)

SENATOR HUGGINS moved to adopt the proposed CS for SB 154, version H, as the working document.

CHAIR STOLTZE objected for discussion purposes.

[9:19:27 AM](#)

BRANDON BREFCZYNSKI, Staff, Senator Stoltze, Alaska State Legislature, Juneau, Alaska, explained that the CS for SB 154 was a result of an oversight. He specified that on page 2, line 1, the added language would allow the Department of Administration to separately account and appropriate funds for the Blood Bank of Alaska license plate.

CHAIR STOLTZE removed his objection and announced that the CS was before the committee. He set forth that the committee would hear public testimony. He asked the Mr. Benintendi be the first to address the committee. He noted that Mr. Benintendi was the Alaskan citizen who brought the legislation forward and the State Affairs Committee noted the bill as being sponsored "by request" in order to reflect that sponsorship was on behalf of the Blood Bank of Alaska and those who supported their activities.

[9:20:48 AM](#)

TIM BENINTENDI, Secretary, Board of Directors, Blood Bank of Alaska, Anchorage, Alaska, testified in support of SB 154. He thanked the committee and the Legislature for supporting the grant funding to help construct the new Blood Bank of Alaska facility. He said SB 154 authorizes the issuance of the Blood Bank of Alaska license plate and its extra revenue; but more importantly, the license plates would provide extra promotional opportunity and visibility for the Blood Bank of Alaska as well.

[9:22:53 AM](#)

ROBERT SCANLON, Chief Executive Officer, Blood Bank of Alaska, Anchorage, Alaska, testified in support of SB 154. He thanked the Legislature for its generosity in supporting Alaska's sole blood supplier. He said without the Legislature's assistance, the project would not have been possible.

[9:23:41 AM](#)

CHRIS MELLO, Member, Board of Directors, Blood Bank of Alaska, Anchorage, Alaska, testified in support of SB 154. He thanked the Legislature for its generous support of the Blood Bank of Alaska. He detailed that the Blood Bank of Alaska was a 501(c)(3) public charity with an all-Alaskan board and all-Alaskan outfit. He added that the Blood Bank of Alaska has over 30,000 donors statewide. He set forth that the license plate would help the Blood Bank of Alaska as follows:

- Generates revenue.
- Allows anonymous donors and recipients to let everyone know their support.
- Acts as a reminder for people to donate.

CHAIR STOLTZE asked if the administration had concerns with the bill.

[9:25:10 AM](#)

AMY ERICKSON, Director, Division of Motor Vehicles (DMV), Alaska Department of Administration, Anchorage, Alaska, replied that the administration had no concerns. She added that she was glad that the committee was able to fix the oversight where the license plate was not tied to a fund.

[9:25:48 AM](#)

VERDIE BOWEN, Director of Veteran Affairs, Anchorage, Alaska, testified in support of SB 154. He revealed that he was a Blood Bank of Alaska recipient due to an accident. He said the new license plate would provide advertising and awareness for the Blood Bank of Alaska.

CHAIR STOLTZE closed public testimony. He asked Ms. Erickson to provide a brief narrative on the bill's \$250 fiscal note. He inquired if Ms. Erickson had any projected expectations judging from past history on "cause" license plates.

[9:28:33 AM](#)

MS. ERICKSON specified that DMV would work with the Blood Bank of Alaska to design the license plate that the commissioner of the Department of Administration would ultimately have to approve. She detailed that the plate would have a \$200 design fee. She noted that a previous "cause" plate example would be for "breast cancer awareness."

CHAIR STOLTZE added that "cause" plates would include "promotion of life" and the Second Amendment.

MS. ERICKSON answered yes. She said she could not forecast how many plates would be sold, but remarked that the Blood Bank of Alaska has a big following in the Anchorage area.

CHAIR STOLTZE opined that some "cause" plates have a limited pool and others were a lot broader. He noted that the Pearl Harbor survivors' plate was limited, where the plate for the Second Amendment has a lot of fans.

[9:30:09 AM](#)

MS. ERICKSON replied that only one license plate was issued to a Pearl Harbor survivor. She noted that the "cause" plates did not have a minimum order.

SENATOR HUGGINS asked if DMV would be able to accept \$250 from a collection to cover the \$250 fiscal note.

MS. ERICKSON replied that DMV did not have a way of accepting the money. She noted that committees had zeroed-out fiscal notes in the past.

CHAIR STOLTZE concurred that the committee could zero-out the fiscal note. He noted that a bill like SB 154 tends to have "extra cargo" thrown on it. He stated that the Finance Committee can decide whether to zero-out or amortize the fiscal note. He said any committee member could offer amendments or other suggestions and Ms. Erickson would nimbly deal with whatever she was dealt.

[9:33:58 AM](#)

SENATOR WIELECHOWSKI moved Conceptual Amendment 1.

CONCEPTUAL AMENDMENT 1

Expands the eligibility for veteran's designation on an ID card or driver's license in the State of Alaska in an effort to recognize Laotian veterans and the Hmong Special Guerrilla Unit that fought in support of American interests during the Vietnam era.

CHAIR STOLTZE objected for discussion purposes.

SENATOR WIELECHOWSKI set forth that he was offering the amendment on behalf of a number of constituent groups in his district and all around Anchorage as well. He specified that the amendment would expand the eligibility for veterans' designation on an ID card or driver's license in the State of Alaska in an effort to recognize Laotian veterans and the Hmong Special Guerrilla Unit that fought in support of American interests during the Vietnam era.

He revealed that tens of thousands of Hmong people were trained covertly by the Central Intelligence Agency (CIA) to fight on behalf of the United States. He quoted Edgar Buell, CIA Senior Aide that worked with the Hmong Special Guerrilla Unit as follows:

Every Hmong that died, that was an American back home that didn't die, or one that was injured that wasn't injured. Somebody in nearly every Hmong family was either fighting or died from fighting, they became refugees because we, the United States government, encouraged them to fight for us. I promised them myself, have no fear, we will take care of you.

SENATOR WIELECHOWSKI remarked that the United States government made promises to the Hmong. The Hmong that emigrated to the U.S. have been fighting to get recognition as veterans on driver's licenses. He detailed that the amendment would have the Department of Military and Veteran's Affairs work with the Department of Administration and DMV to find an alternative proof of veteran's status because the Hmong did not have Defense Department (DD) Form 214 (DD214). He said the amended bill would be a way of recognizing the Hmong's service on behalf of our country. He noted that the Department of Military and Veteran's Affairs have expressed their support for the amendment.

[9:37:05 AM](#)

MR. BOWEN testified in support of Conceptual Amendment 1. He revealed that he had spent a lot of time with the Hmong on different issues of recognition, specifically with U.S. Senator Murkowski in allowing the Hmong to be interred in national cemeteries. He detailed that under the command of General Vang Pao, the Hmong army was a 30,000 man fighting force that assisted downed U.S. pilots in Laos. He presumed that Senator Huggins fought with Hmong soldiers and he might be able to provide additional insight. He explained that the difference between the Hmong and most soldiers was the amount of people that were in their army was probably equal to the amount of people lost during the conflict. He asserted that anything that the Legislature could do to recognize the Hmong would be outstanding. He suggested that a program could be put together that was similar to the Alaska Territorial Guard where an Alaskan DD214 would recognize Hmong soldiers.

CHAIR STOLTZE asked if the Veteran's Advisory Council had taken a position on the issue.

MR. BOWEN answered yes. He specified that the council had voted in the past against adding the identification on the driver's license, but the council had voted positive on a license plate.

[9:39:09 AM](#)

CHAIR STOLTZE stated that he opposed the amendment, but offered that the specific bill regarding Hmong recognition be heard in committee the following week.

SENATOR WIELECHOWSKI thanked Chair Stoltze and withdraw Conceptual Amendment 1.

CHAIR STOLTZE confirmed that Senator Wielechowski's bill would be heard the following week. He said the bill would be properly vetted and notice provided to veterans groups and the Hmong community.

He asked if there were any other amendments.

SENATOR HUGGINS stated that he had no amendments and no further comment.

CHAIR STOLTZE suggested that the committee could meet the intent and zero-out the fiscal note; however, the fiscal note would be left as presented due to the limitations of accepting funds into the state's treasury.

[9:41:32 AM](#)

SENATOR COGHILL moved to report CS for SB 154, [29-LS1127\H], from committee with individual recommendations and attached fiscal note.

[9:41:43 AM](#)

CHAIR STOLTZE announced that hearing no objection, CSSB 154(STA) moves from committee.

SB 171-DOA PAYMENTS; REPEAL OTHER DOA DUTIES

[9:42:02 AM](#)

CHAIR STOLTZE announced the consideration of SB 171. He asked for a motion to adopt the proposed committee substitute (CS).

[9:42:34 AM](#)

SENATOR HUGGINS moved to adopt the CS for SB 171, [version 29-GS2811\H], as the working document.

CHAIR STOLTZE objected for discussion purposes.

[9:43:00 AM](#)

DANIEL GEORGE, Staff, Senator Bill Stoltze, Alaska State Legislature, Juneau, Alaska, explained that the CS would place the University of Alaska System and the Alaska Court System under the state consolidated travel program. He added that the CS would put the state's "online checkbook" continuously online and statutorily require public access for the purpose of transparency in government spending. He added that the "online checkbook" would be required to list where the spending takes place and where the spending would take place from.

CHAIR STOLTZE commented that state agencies have exhibited a defensiveness regarding the "online checkbook" and said "not us." He stated that he welcomed consideration that the Alaska Railroad, Alaska Housing Finance Corporation (AHFC), Alaska Industrial Development and Export Authority (AIDEA), and the Alaska Gasline Development Corporation (AGDC) be included as well. He noted that he appreciated that Senator Wielechowski came forward with the "online checkbook," a relevant concept that addressed reforms and cost savings. He added that Representative Reinbold offered suggestions as well.

CHAIR STOLTZE removed his objection. He stated that without objection, the CS was adopted.

[9:46:02 AM](#)

CHAIR STOLTZE announced that SB 171 would be held in committee.

SCR 16-SPECIAL SESSION TO BE HELD ON ROAD SYSTEM

[9:46:05 AM](#)

CHAIR STOLTZE announced the consideration of SCR 16.

[9:46:17 AM](#)

At ease.

[9:47:52 AM](#)

CHAIR STOLTZE called the meeting back to order.

[9:48:09 AM](#)

SENATOR HUGGINS moved to adopt the CS for SCR 16, version [29-LS0906\W], as the working document.

CHAIR STOLTZE objected for discussion purposes.

[9:48:19 AM](#)

DANIEL GEORGE, Staff, Senator Stoltze, Alaska State Legislature, Juneau, Alaska, explained that the CS would update the resolution to reflect any special session that might be called after adjournment of the second session of the 29th Legislature. He summarized that SCR 16 would simply advise where a special session would be held.

[9:49:04 AM](#)

CHAIR STOLTZE removed his objection and announced that hearing no objection, the CS was adopted.

CHAIR STOLTZE set forth that SCR 15 was very specific to date, time, and circumstances. He affirmed that SCR 15 was not a legislative move. He affirmed that he has been an advocate in moving the capitol, but reiterated that the resolution was specific to the circumstances regarding the building's remodeling for safety and seismic improvements. He stated the he did not want the Legislature to interfere with the capitol's construction company in completing the project on time. He noted that the capitol's remodel had a performance bond to finish the project in excess of \$5 million. He summarized that spring and summer housing becomes an issue in Juneau due to tourism, the special session would be in a location that was closer to where most Alaskans live, and meeting in Anchorage would be less expensive for a very special circumstance.

9:55:09 AM

SENATOR HUGGINS remarked that he seconded Chair Stoltze's words. He explained that the governor intends to call a special session to address his proposal to take the people's money through taxation. He stated that he would rather hear directly from his neighbors and noted that his constituents have overwhelmingly told him that they opposed an income tax. He asserted that he adamantly opposed an income tax based upon feedback and his natural instincts. He summarized that the business of how much a special session costs in Juneau versus Anchorage was almost irrelevant if the numbers were close because the subject matter pertained to taking people's money.

SENATOR COGHILL stated that he supported the resolution. He said special sessions were unique because topics are narrowed down to a few issues. He remarked that one of the general population's hidden taxes was the lack of accessibility to Juneau due to expense. He said the general population really depends upon sending their representatives, lobbyists, and groups to Juneau. He asserted that allowing people to use the Southcentral road system to let their voices be heard during the special session was important. He added that retrofitting the capitol was also a pressure point for holding the special session in Juneau.

9:59:25 AM

CHAIR STOLTZE noted that in 2015, the senator from Juneau was complaining about commissioners not being in Anchorage and noted that he said, "Teleconferences are fine, but there is no substitute for face-to-face." He said he was sure the senator regrets his statement, but he remarked that you cannot have arguments both ways.

CHAIR STOLTZE stated that SCR 16 was not a complicated measure, but noted that the perception of a capitol move would unnecessarily divide people philosophically and geographically. He explained that the resolution was carefully crafted with a lot of consideration to specifically address special circumstances.

He admitted that 99.9 percent of his constituents would not attend legislative proceedings because they are busy. He said constituents expect legislators to exercise their good judgement and reach out to them when there were important things.

He stated that his motives would be reassigned and assessed because of his record. He asserted that SCR 16 was a vehicle specific to circumstances for the two legislative bodies to come together and deliberate what was in the best interest of the treasury and the people of Alaska.

[10:03:19 AM](#)

SENATOR HUGGINS moved to report the CS for SCR 16(STA), [29-LS0906\W], from committee [with individual recommendations and attached fiscal note].

[10:03:31 AM](#)

CHAIR STOLTZE announced that seeing no objection, CSSJR 16(STA) moves from committee.

[10:04:55 AM](#)

There being no further business to come before the committee, Chair Stoltze adjourned the Senate State Affairs Committee at 10:04 a.m.