

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

April 5, 2018

3:21 p.m.

**MEMBERS PRESENT**

Representative Jonathan Kreiss-Tomkins, Chair  
Representative Gabrielle LeDoux, Vice Chair  
Representative Chris Tuck  
Representative Adam Wool  
Representative Chris Birch  
Representative Gary Knopp

**MEMBERS ABSENT**

Representative DeLena Johnson  
Representative Andy Josephson (alternate)  
Representative Chuck Kopp (alternate)

**OTHER MEMBERS PRESENT**

Representative David Eastman

**COMMITTEE CALENDAR**

**APPROVAL OF INTRODUCTION OF POTENTIAL COMMITTEE LEGISLATION**

**HOUSE BILL NO. 83**

"An Act relating to new defined benefit tiers in the public employees' retirement system and the teachers' retirement system; providing certain employees an opportunity to choose between the defined benefit and defined contribution plans of the public employees' retirement system and the teachers' retirement system; and providing for an effective date."

- MOVED CSHB 83(STA) OUT OF COMMITTEE

**SENATE CONCURRENT RESOLUTION NO. 17**

Proclaiming April 2018 as Sexual Assault Awareness Month.

- MOVED SCR 17 OUT OF COMMITTEE

**HOUSE BILL NO. 407**

"An Act relating to the duties of the Alaska Public Offices Commission; clarifying the limits on making, accepting, and reporting certain cash campaign contributions; relating to

campaign finance reporting by certain groups; relating to the identification of certain campaign communications; increasing the time the Alaska Public Offices Commission has to respond to a request for an advisory opinion; repealing a reporting requirement for certain contributions; relating to propositions and initiative proposals; and providing for an effective date."

- MOVED CSHB 407(STA) OUT OF COMMITTEE

CS FOR SENATE BILL NO. 163(STA)

"An Act relating to commercial motor vehicles."

- MOVED CSSB 163(STA) OUT OF COMMITTEE

#### **PREVIOUS COMMITTEE ACTION**

BILL: HB 83

SHORT TITLE: TEACHERS & PUB EMPLOYEE RETIREMENT PLANS

SPONSOR(S): REPRESENTATIVE(S) KITO

01/27/17	(H)	READ THE FIRST TIME - REFERRALS
01/27/17	(H)	L&C, STA, FIN
03/25/17	(H)	L&C AT 1:00 PM BARNES 124
03/25/17	(H)	Heard & Held
03/25/17	(H)	MINUTE(L&C)
04/12/17	(H)	L&C AT 3:15 PM BARNES 124
04/12/17	(H)	Scheduled but Not Heard
04/14/17	(H)	L&C AT 3:15 PM BARNES 124
04/14/17	(H)	Scheduled but Not Heard
04/19/17	(H)	L&C AT 3:15 PM BARNES 124
04/19/17	(H)	<Bill Hearing Canceled>
02/16/18	(H)	L&C AT 3:15 PM BARNES 124
02/16/18	(H)	Heard & Held
02/16/18	(H)	MINUTE(L&C)
02/17/18	(H)	L&C AT 1:00 PM BARNES 124
02/17/18	(H)	Heard & Held
02/17/18	(H)	MINUTE(L&C)
02/19/18	(H)	L&C AT 3:15 PM BARNES 124
02/19/18	(H)	Moved HB 83 Out of Committee
02/19/18	(H)	MINUTE(L&C)
02/21/18	(H)	L&C RPT CS(L&C) 4DP 2DNP
02/21/18	(H)	DP: STUTES, WOOL, JOSEPHSON, KITO
02/21/18	(H)	DNP: SULLIVAN-LEONARD, BIRCH
03/20/18	(H)	STA AT 3:15 PM GRUENBERG 120
03/20/18	(H)	-- MEETING CANCELED --
03/27/18	(H)	STA AT 3:15 PM GRUENBERG 120

03/27/18 (H) Heard & Held  
03/27/18 (H) MINUTE(STA)  
03/29/18 (H) STA AT 3:15 PM GRUENBERG 120  
03/29/18 (H) <Bill Hearing Canceled>  
04/03/18 (H) STA AT 3:15 PM GRUENBERG 120  
04/03/18 (H) Heard & Held  
04/03/18 (H) MINUTE(STA)  
04/05/18 (H) STA AT 3:15 PM GRUENBERG 120

BILL: SCR 17

SHORT TITLE: APRIL 2018:SEXUAL ASSAULT AWARENESS MONTH  
SPONSOR(s): SENATOR(s) MEYER

02/16/18 (S) READ THE FIRST TIME - REFERRALS  
02/16/18 (S) STA  
02/27/18 (S) STA AT 3:30 PM BUTROVICH 205  
02/27/18 (S) Moved SCR 17 Out of Committee  
02/27/18 (S) MINUTE(STA)  
02/28/18 (S) STA RPT 5DP  
02/28/18 (S) DP: MEYER, WILSON, GIESSEL, COGHILL,  
EGAN  
03/01/18 (S) TRANSMITTED TO (H)  
03/01/18 (S) VERSION: SCR 17  
03/05/18 (H) READ THE FIRST TIME - REFERRALS  
03/05/18 (H) STA  
03/22/18 (H) STA AT 3:15 PM GRUENBERG 120  
03/22/18 (H) -- Rescheduled to 3/23/18 at 8:45 am --  
03/23/18 (H) STA AT 8:45 AM GRUENBERG 120  
03/23/18 (H) -- Rescheduled from 3/22/18 --  
03/29/18 (H) STA AT 3:15 PM GRUENBERG 120  
03/29/18 (H) <Bill Hearing Canceled>  
04/03/18 (H) STA AT 3:15 PM GRUENBERG 120  
04/03/18 (H) Heard & Held  
04/03/18 (H) MINUTE(STA)  
04/05/18 (H) STA AT 3:15 PM GRUENBERG 120

BILL: HB 407

SHORT TITLE: APOC; CAMPAIGN CONTRIBUTIONS/REPORTING  
SPONSOR(s): STATE AFFAIRS

03/26/18 (H) READ THE FIRST TIME - REFERRALS  
03/26/18 (H) STA, FIN  
04/03/18 (H) STA AT 3:15 PM GRUENBERG 120  
04/03/18 (H) Heard & Held  
04/03/18 (H) MINUTE(STA)  
04/05/18 (H) STA AT 3:15 PM GRUENBERG 120

BILL: SB 163

SHORT TITLE: DEFINITION OF COMMERCIAL MOTOR VEHICLES

SPONSOR(S): RULES BY REQUEST OF THE GOVERNOR

01/26/18 (S) READ THE FIRST TIME - REFERRALS  
01/26/18 (S) TRA, STA  
03/01/18 (S) TRA AT 1:30 PM BUTROVICH 205  
03/01/18 (S) Heard & Held  
03/01/18 (S) MINUTE(TRA)  
03/06/18 (S) TRA AT 1:30 PM BUTROVICH 205  
03/06/18 (S) Moved SB 163 Out of Committee  
03/06/18 (S) MINUTE(TRA)  
03/07/18 (S) TRA RPT 1DP 1NR 1AM  
03/07/18 (S) NR: STEDMAN  
03/07/18 (S) DP: EGAN  
03/07/18 (S) AM: WILSON  
03/13/18 (S) STA AT 3:30 PM BUTROVICH 205  
03/13/18 (S) Moved CSSB 163(STA) Out of Committee  
03/13/18 (S) MINUTE(STA)  
03/14/18 (S) STA RPT CS 4DP 1NR SAME TITLE  
03/14/18 (S) DP: MEYER, GIESSEL, COGHILL, EGAN  
03/14/18 (S) NR: WILSON  
03/21/18 (S) TRANSMITTED TO (H)  
03/21/18 (S) VERSION: CSSB 163(STA)  
03/22/18 (H) READ THE FIRST TIME - REFERRALS  
03/22/18 (H) TRA, STA  
03/27/18 (H) TRA AT 1:15 PM BARNES 124  
03/27/18 (H) Moved CSSB 163(STA) Out of Committee  
03/27/18 (H) MINUTE(TRA)  
03/28/18 (H) TRA RPT 5DP 1NR  
03/28/18 (H) DP: KOPP, CLAMAN, NEUMAN, WOOL, STUTES  
03/28/18 (H) NR: SULLIVAN-LEONARD  
04/03/18 (H) STA AT 3:15 PM GRUENBERG 120  
04/03/18 (H) Heard & Held  
04/03/18 (H) MINUTE(STA)  
04/05/18 (H) STA AT 3:15 PM GRUENBERG 120

**WITNESS REGISTER**

HEATHER HEBDEN, Executive Director  
Alaska Public Offices Commission (APOC)  
Department of Administration (DOA)  
Anchorage, Alaska

**POSITION STATEMENT:** During the hearing of HB 407, answered questions.

REPRESENTATIVE DAVID EASTMAN

Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** During the hearing of HB 407, presented Amendment 4, and also discussed HB 158.

AVES THOMPSON, Executive Director  
Alaska Trucking Association  
Anchorage, Alaska

**POSITION STATEMENT:** During the hearing of SB 163, testified in support of the legislation.

AMY SEITZ, Executive Director  
Alaska Farm Bureau  
Soldotna, Alaska

**POSITION STATEMENT:** During the hearing of CSSB 163, testified in support of the legislation.

DANIEL BYRD, Chief  
Commercial Vehicle Enforcement  
Division of Measurement Standards and Commercial Vehicle  
Enforcement  
Department of Transportation & Public Facilities (DTPF)  
Anchorage, Alaska

**POSITION STATEMENT:** During the hearing of CSSB 163, answered a question.

#### **ACTION NARRATIVE**

[3:21:31 PM](#)

**CHAIR JONATHAN KREISS-TOMKINS** called the House State Affairs Standing Committee meeting to order at 3:21 p.m. Representatives Kreiss-Tomkins, Tuck, LeDoux, and Birch were present at the call to order. Representatives Knopp and Wool arrived as the meeting was in progress.

#### **APPROVAL OF INTRODUCTION OF POTENTIAL COMMITTEE LEGISLATION**

[3:22:24 PM](#)

CHAIR KREISS-TOMKINS announced that within the first order of business he would entertain a motion relating to a constitutional amendment of the Alaska Permanent Fund (APF) relating to the presentation offered last week.

[3:22:39 PM](#)

REPRESENTATIVE TUCK moved that the resolution, "Proposing amendments to the Constitution of the State of Alaska relating to the Alaska permanent fund, establishing the earnings reserve account, and relating to appropriations from the Alaska permanent fund" be introduced as a House State Affairs Standing Committee resolution.

REPRESENTATIVE BIRCH objected.

[3:23:10 PM](#)

The committee took an at-ease from 3:23 p.m. to 3:24 p.m.

[3:24:05 PM](#)

REPRESENTATIVE BIRCH maintained his objection because he is uncomfortable with locking up a vote in the constitution as it relates to fund reserves and forward-looking revenues.

[3:24:29 PM](#)

A roll call vote was taken. Representatives Tuck, Wool, LeDoux, and Kreiss-Tomkins voted in favor of introducing a resolution titled, "Proposing amendments to the Constitution of the State of Alaska relating to the Alaska permanent fund, establishing the earnings reserve account, and relating to appropriations from the Alaska permanent fund" as a House State Affairs Standing Committee Resolution. Representative Birch voted against it. Therefore, the introduction of the above resolution as a House State Affairs Standing Committee Resolution was adopted by a vote of 4-1.

#### **HB 83-TEACHERS & PUB EMPLOYEE RETIREMENT PLANS**

[3:25:06 PM](#)

CHAIR KREISS-TOMKINS announced that the next order of business would be CS FOR HOUSE BILL NO. 83(L&C), "An Act relating to new defined benefit tiers in the public employees' retirement system and the teachers' retirement system; providing certain employees an opportunity to choose between the defined benefit and defined contribution plans of the public employees' retirement system and the teachers' retirement system; and providing for an effective date." [Before the committee was CSHB 83, Version T.]

[3:26:33 PM](#)

REPRESENTATIVE BIRCH noted that he does not support this legislation and voiced his concern about the cost and financial impact this will cause downstream, and the state already has a \$7 billion to \$8 billion or more liability under the PERS/TERS program from the last defined benefit (DB) program. He pointed out that a fiscal note had yet to be offered even though the committee was advised that, at some point in time, there would be a follow-up fiscal note.

REPRESENTATIVE TUCK offered his appreciation for this legislation because "we're just not getting the bang for our buck for investing into training, investing in our employees, letting them have careers here in the State of Alaska on behalf of the people of Alaska." State employees are not eligible to pay into social security, there is virtually no retirement in defined contribution (DC). It is well known there are many fees, hidden fees, and transactions that take place without a person's knowledge and they are charged for that. He pointed out the importance of providing something stable, something that is secure, and people can rely on, is very important in building a good solid workforce in Alaska. In response to Representative Birch, advised that the fiscal note "to do something like this" will require an expensive actuarial report so it is appropriate to wait until the legislation is before the House Finance Committee before that exercise takes place.

REPRESENTATIVE KNOPP said that he joins Representative Tuck because "we're all a little scared about defined benefits due to where the state ended up with the last one we had." When looking at the employees who do not have SBS programs and social security, he opined that it is a valid argument because he never wants the state to return to the situation "where we were at." The actuarial must be performed in order to know whether it should move forward. He opined that the state has learned from history, he wants to be sure the program is sustainable, and he supports moving the bill out of committee.

[3:29:40 PM](#)

REPRESENTATIVE WOOL opined that by removing benefits from the retirement package, the results are that it is hard to recruit and retain. Similarly, prohibition did not work, and potentially putting the benefits back in is a step in the right direction, he pointed out. Many people testified that it is hard for teachers, fire fighters, and so forth, and that recruitment and retention is a big problem in Alaska currently, he remarked.

3:30:32 PM

REPRESENTATIVE BIRCH referred to the previous testimonies from a union business agent and from the folks within the system advancing the DB program and noted that the question was asked whether there are any private sector employers moving toward a DB program. The answer, he recalled, was that no private sector employers are moving toward a DB program and he is not aware that this is at all commonplace. While, he said, he understands the issues of recruiting and retention, but putting a package together that the state cannot afford is not reasonable. Also, he pointed out, it is not reasonable for the committee to vote on something with an undetermined cost and without a fiscal note.

3:31:49 PM

REPRESENTATIVE LEDOUX noted that with respect to private employers, there is a good chance their employee is earning at least a slightly bit more money than a state employee earns. Even more importantly, she stressed, a person working for a private employer has the ability to pay into social security and they own that certainty at retirement. Those individuals working for the State of Alaska do not receive a social security benefit, she pointed out.

3:32:32 PM

REPRESENTATIVE TUCK advised that he is part of a multi-employer DB plan with the International Brotherhood of Electrical Workers (IBEW), which means every time the union signs up a new contractor, the contractor is actually entering into a DB plan. The contractor can see and realize the benefit of the collective effort of everyone pooling their money together and being able to offer benefits that by itself would not be able to offer, and that is just one example of why people are entering into multi-employer plans. Also, he expressed, a downward spiral is taking place all over America wherein less and less people have retirement programs they can rely upon, thereby, becoming a burden on everyone else. In the event the legislature is willing to sustain livelihoods and allow people to retire with dignity without being a burden on society, it is imperative that it take place as a collective effort. Representative Tuck put forth that for all of the teachers, fire fighters, police officers, Department of Fish & Game (DF&G) employees, and so

forth, it would be nice to have collective security for these employees.

[3:34:03 PM](#)

REPRESENTATIVE TUCK moved to report CSHB 83(L&C), labeled 30-LS0315\T, out of committee with individual recommendations and the accompanying fiscal notes.

REPRESENTATIVE BIRCH objected.

[3:34:22 PM](#)

A roll call vote was taken. Representatives Tuck, Knopp, Wool, LeDoux, and Kreiss-Tomkins voted in favor of passing CSHB 83 out of committee. Representative Birch voted against it. Therefore, CSHB 83(STA) was reported out of the House State Affairs Standing Committee by a vote of 5-1.

**SCR 17-APRIL 2018:SEXUAL ASSAULT AWARENESS MONTH**

[3:34:54 PM](#)

CHAIR KREISS-TOMKINS announced that the next order of business would be SENATE CONCURRENT RESOLUTION NO. 17, Proclaiming April 2018 as Sexual Assault Awareness Month.

[3:35:10 PM](#)

CHAIR KREISS-TOMKINS opened public testimony on SCR 17. After ascertaining no wished to testify, he closed public testimony on SCR 17.

[3:35:37 PM](#)

REPRESENTATIVE LEDOUX moved to report SCR 17, labeled 30-LS1267\A, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, SCR 17 moved from the House State Affairs Standing Committee.

**HB 407-APOC; CAMPAIGN CONTRIBUTIONS/REPORTING**  
**Contains Discussions of HB 158**

[3:35:57 PM](#)

CHAIR KREISS-TOMKINS announced that the next order of business would be HOUSE BILL NO. 407, "An Act relating to the duties of

the Alaska Public Offices Commission; clarifying the limits on making, accepting, and reporting certain cash campaign contributions; relating to campaign finance reporting by certain groups; relating to the identification of certain campaign communications; increasing the time the Alaska Public Offices Commission has to respond to a request for an advisory opinion; repealing a reporting requirement for certain contributions; relating to propositions and initiative proposals; and providing for an effective date."

[3:36:39 PM](#)

CHAIR KREISS-TOMKINS offered that he had an amendment drafted although he was unsure whether it would be offered.

REPRESENTATIVE BIRCH asked for confirmation that the proposal would eliminate the duplicative reporting requirement for groups where individuals were expected to report at the same time as the group.

[3:37:31 PM](#)

HEATHER HEBDEN, Executive Director, Alaska Public Offices Commission (APOC), Department of Administration (DOA), referred to HB 407, Sec. 9. [AS 15.13.040(k), page 5, line 18,] and answered that that is her understanding. Sec. 9 was repealed, the requirement for contributors to report the same information that is currently being reported by the valid initiative group.

REPRESENTATIVE BIRCH commented that he appreciates that insight as it will solve some problems.

[3:38:05 PM](#)

CHAIR KREISS-TOMKINS referred to HB 407, Sec. 3. [AS 15.13.040(g), page 3, lines 4-23], and noted that currently, any group, even if they only spend \$1, must register with APOC and go through all of the paperwork. He opined that Sec. 3 establishes a \$2,500 floor and any group that spends less than that amount does not have to go through the whole APOC process., similar to a candidate who spends less than \$5,000 "does not have to do that." Given that this came out of the Senate Finance Subcommittee process, he asked where the \$2,500 amount came from, and whether there is any sort of rhyme or reason for \$2,500 as opposed to \$5,000 or \$2,000.

MS. HEBDEN opined that the \$2,500 was actually derived from the similar language that applies to a candidate's campaign. A candidate's campaign is not in a calendar year, it typically straddles two calendar years given that candidates are able to file a letter of intent up to 18 months from the election. Thereby, limiting it for a group is very similar to the candidate, except it is based on a calendar year so theoretically, she offered, they could still expend up to \$5,000 during one election cycle.

[3:39:42 PM](#)

CHAIR KREISS-TOMKINS surmised that effectively the amount is being pro-rated down since the group would be a calendar year, and \$5,000 was cut in half which leaves \$2,500, and that is the origin for that number.

MS. HEBDEN answered in the affirmative.

[3:40:09 PM](#)

REPRESENTATIVE LEDOUX referred to HB 407, Sec. 8. [AS 15.13.374(c), page 5, lines 14-17], which read as follows:

(c) Within 10 business [SEVEN] days after receiving a request satisfying the requirements of (b) of this section, the executive director of the commission shall recommend a draft advisory opinion for the commission to consider at its next meeting.

REPRESENTATIVE LEDOUX asked whether it had been determined that changing this from seven days to ten business days would make it almost two weeks before an advisory opinion was issued.

MS. HEBDEN answered that Representative LeDoux was correct, it would extend it to ten business days rather than seven days.

[3:40:45 PM](#)

REPRESENTATIVE LEDOUX noted that in the past it read that "the executive director of the commission shall recommend a draft advisory opinion." She asked whether the candidate or the person requesting the advisory opinion would receive a copy of that draft, and whether the draft advisory opinion is public.

MS. HEBDEN noted that she was unsure she understood the question.

REPRESENTATIVE LEDOUX offered a scenario wherein Candidate A requested an advisory opinion about something, and this legislation read: "the executive director of the commission shall recommend a draft advisory opinion for the commission at its next meeting." She asked whether that draft advisory opinion would be sent to Candidate A.

MS. HEBDEN answered that the draft advisory opinion would be issued to the person requesting the opinion.

[3:42:01 PM](#)

REPRESENTATIVE LEDOUX offered concern that if a candidate is in the midst of a campaign and requests an advisory opinion, it might take a couple of weekends for the draft advisory opinion to be issued and that is a long time in a campaign season.

MS. HEBDEN responded that it does extend the timeframe; however, that does not mean APOC could not issue the draft advisory opinion earlier. Generally, she said, advisory opinion requests are not being requested when leading up to election day. The majority of the time, the requestor of an opinion previously had some type of interaction with APOC staff and they'll have a general idea of the staff's interpretation that will be issued, she explained. This is just the formal process of getting it before the commission and following after 10 business days gives staff a little more time to research the issue as well as confer and have the draft reviewed by the Department of Law (DOL), she advised.

[3:43:50 PM](#)

REPRESENTATIVE LEDOUX remarked that she is still uncomfortable with that explanation because that does not mean that APOC would issue the draft in ten business days and she is uncomfortable with that portion of the bill.

[3:44:32 PM](#)

CHAIR KREISS-TOMKINS referred to HB 407, Sec. 7. [AS 15.13.090(g), page 4, lines 27-31 and page 5, lines 1-12], and asked Ms. Hebden to describe the substance of current law as to the requirement for "paid for by" identifiers.

MS. HEBDEN responded that under current law, the requirement for "paid for by" identifiers for written communication is fairly

vague. It provides that the "paid for by" identifier must be easily discernable, and this leaves it to a broad interpretation, and it comes up quite frequently. She said that APOC received recent complaints about board signs on the side of the road with "paid for by" identifiers that were placed on a file label. In essence, she explained, a person would have to stop their car, get out of the car, and actually approach the sign in order actually read any of the information. The current language in the bill would simply provide a better standard and more guidance for filers, she offered.

CHAIR KREISS-TOMKINS asked whether APOC has promulgated regulations or established advisory opinions to provide a more detailed direction to campaigns as far as how to comply with the "easily discernable" standard.

MS. HEBDEN answered that there is regulation that applies to the "paid for by" identifier, although it does not provide much more specificity. The regulation requires that it be visible, separate from the text of the communication, and be of sufficient size to be read by a viewer.

[3:46:47 PM](#)

CHAIR KREISS-TOMKINS asked that if someone had a big sign by the side of the road and scribbled on a file label on the bottom corner the "paid for by" identifier, whether that file label "paid for by" identifier would be in violation of the standard that currently exists.

MS. HEBDEN replied that that was a good question.

CHAIR KREISS-TOMKINS offered that if someone filed a complaint about that sign, whether APOC would find it to be in violation.

MS. HEBDEN responded that if the file label contained all of the correct language, "it very well could be considered substantially compliant and APOC would not find a violation.

[3:47:40 PM](#)

REPRESENTATIVE TUCK requested clarification that she was saying that as a person is driving down the road, a person must be able to read the "paid for by" identifier, depending on the speed of the vehicle.

MS. HEBDEN answered that that is just an example and she does not know that that is necessarily the standard.

REPRESENTATIVE TUCK referred to HB 47, Sec. 7, [AS 15.13.090(g), page 4, lines 28-29], which read as follows:

(g) A "paid for by" identifier for a printed communication is clearly identified and easily discernible ...

REPRESENTATIVE TUCK asked for clarification that that standard is unknown.

MS. HEBDEN answered that currently, the standard is that it be "easily discernable." The language before the committee aims to add more specificity by setting a standard font size based on the size of the communication, she advised.

[3:48:37 PM](#)

REPRESENTATIVE TUCK said that he knows there are Alaska Department of Transportation (DOT) highway standard signs and depending upon the speed of the vehicle -- and those signs are pretty huge, for example, a stop sign, and the sign must be able to be seen from a certain distance. He asked whether it is really a concern for drivers to be able to see the "paid for by" identifier.

REPRESENTATIVE LEDOUX said she echoes the same thoughts as Representative Tuck because if it is important to someone, and the information is on the sign, the person can get out of their car to look at the sign. She asked whether the committee has to micro-manage the font size, and answered, "I don't think so."

REPRESENTATIVE KNOPP opined that the signs are not supposed to be placed within 600 feet of the right-of-way anyway, and he can't see that far, so he is not sure whether font size is a big issue. He asked whether that was in statute.

MS. HEBDEN (audio difficulties) regulate the placement of the sign, only the content of the sign. She reiterated that the billboard was simply an example of the "paid for by" identifier questions as one of APOC's number one complaints. It is the "low-hanging fruit" that the public sees, and this is meant to benefit the filers, she advised.

[3:50:34 PM](#)

REPRESENTATIVE WOOL said that as Representative Knopp mentioned, signs are not supposed to be near the road, but everyone knows that they are. He said, "If this 10 percent rule, that if a sign is bigger than 2 feet by 3 feet, then the 'paid for by' can't be any smaller than 10 percent. So, I can see a big 4 by 8 sign that has 3 letters on it, 'JKT' each 3.5 feet, then the 'paid for by' has to be 10 percent of 3.5 feet with each font. That's pretty big." It is one thing if a person receives something in the mail but driving down the highway at 55 mph is another thing, he said.

MS. HEBDEN replied that she understands that 10 percent of the sign might be big in certain cases. She reiterated that it is not necessarily the size of it, it is simply setting some sort of standard beyond "easily discernable."

REPRESENTATIVE WOOL said that he noticed that the bill lists a font size for the smaller sign and commented that this all appears overly complicated.

[3:52:55 PM](#)

REPRESENTATIVE LEDOUX moved to adopt Conceptual Amendment 1 to HB 407, to delete Sec 7 in its entirety [page 4, lines 27-31 and page 5, lines 1-12].

CHAIR KREISS-TOMKINS objected for purposes of discussion.

[3:53:21 PM](#)

REPRESENTATIVE KNOPP offered that he was unsure he could support a complete deletion of Sec. 7, if it removes any requirement for posting "paid for by" identifiers. Although, he said, he would support a conceptual amendment that deletes the 10 percent, as that is the actual issue. He added that he would support an amendment "if it was nominal, no smaller than two-inch letters" on the sign, and that deleting Sec. 7 in its entirety would remove that entire requirement.

REPRESENTATIVE LEDOUX explained that Sec.7 is an entirely new section in the law and there is another section somewhere in the statute that requires the "paid for by" identifier. Therefore, removing this section will not open the door to various types of campaign literature with "paid for by" identifiers. Conceptual Amendment 1 removes micromanaging "this thing down to the enth degree," she explained.

REPRESENTATIVE KNOPP offered his support if Representative LeDoux's statement could be verified.

MS. HEBDEN stated that Representative LeDoux is correct, under current AS 15.13.090 "paid for by" is required, and Sec. 7 simply adds a new subsection clarifying "easily discernable."

[3:55:26 PM](#)

REPRESENTATIVE TUCK commented that he understands why Sec. 7 was included in HB 407, in that there are probably many complaints that APOC receives and streamlining it for the agency would probably assist the agency. Although, he said, he is a bit leery on some of this language and referred to Sec. 7, AS 15.13.090(g)(1), page 4, lines 30-31, which read as follows:

(1) smaller than 24 inches by 36 inches in size or that includes a video component, the "paid for by" identifier is

REPRESENTATIVE TUCK commented that he was unsure how to get to 12 points on a video, and some of this language could be improved upon, so he supports Conceptual Amendment 1. He asked Ms. Hebden whether APOC has the authority to create a policy through regulation.

MS. HEBDEN answered that APOC does have the authority through regulation.

[3:56:51 PM](#)

CHAIR KREISS-TOMKINS withdrew his objection. There being no objection, Conceptual Amendment 1 to HB 407 was adopted.

[3:57:02 PM](#)

REPRESENTATIVE LEDOUX moved to adopt Conceptual Amendment 2 to HB 407, and delete Sec. 8, which has the effect of returning to 7 days rather than 10 business days.

CHAIR KREISS-TOMKINS objected.

[3:57:30 PM](#)

REPRESENTATIVE KNOPP offered concern regarding the ten business days requirement because by including the weekends, it totals

two weeks. Yesterday, Ms. Hebden stated that APOC gives priority to time-sensitive requests, yet there is an amount of overtime that could be required when addressing these requests within seven days, he said. Ms. Hebden also mentioned that sometimes legal opinions and so forth are quite time-consuming and it puts her staff in somewhat of a bind, he said.

[3:58:33 PM](#)

REPRESENTATIVE WOOL suggested a compromise of seven business days as it may allow the agency enough time to respond to requests.

REPRESENTATIVE LEDOUX related that if she can get the vote, she'll take seven business days.

CHAIR KREISS-TOMKINS responded that he would be amenable to seven business days because there is value in this section, and it gives APOC a bit more flexibility. For cleanliness of process, he asked whether Representative LeDoux would be comfortable withdrawing Conceptual Amendment 2 and offering a new Conceptual Amendment 3.

REPRESENTATIVE LEDOUX withdrew Conceptual Amendment 2.

[3:59:17 PM](#)

REPRESENTATIVE LEDOUX moved to adopt Conceptual Amendment 3 to HB 407, [AS 15.13.374(c), page 5, line 14], delete "10 business" and insert "7 business."

CHAIR KREISS-TOMKINS objected for purposes of discussion.

[3:59:53 PM](#)

REPRESENTATIVE TUCK said that while he realizes this is a policy call, APOC came to the legislature in good faith with some cost-saving measures. He reminded the committee that the employees at APOC work hard, especially during campaign season, and are swamped with all sorts of inquiries that include: investigations, reporting, answering to the public, and so forth. He commented that ten business days is reasonable because when people run for office, typically they have a campaign plan and hopefully they will present their questions "way ahead of time." Although, he said, if it is the will of the committee to go with seven business days, he said he guesses that is a good compromise.

CHAIR KREISS-TOMKINS noted that seven business days may be the "sweet spot" for the committee.

[4:01:12 PM](#)

REPRESENTATIVE WOOL asked Ms. Hebden to offer her comments and pointed out that APOC's staff has been cut.

MS. HEBDEN responded that she would be happy with seven business days because she appreciates this legislation moving forward. Those extra few days would help to provide more time to perform a little more research as far as performing a thorough analysis of any issues and possibly help the Department of Law (DOL) as well, she said.

REPRESENTATIVE TUCK suggested that if Conceptual Amendment 3 is adopted and the legislation moves to the next committee, that Ms. Hebden calculate the average amount of employee hours spent per inquiry in order to offer the House Finance Committee more workload information when determining whether seven business days would actually help APOC as much as it would prefer.

[4:02:45 PM](#)

REPRESENTATIVE WOOL noted that the committee had gone back and forth on the number of days and related that seven business days could be nine days total with the weekend, or it could be simply ten calendar days.

REPRESENTATIVE KNOPP related that he would not support Representative Wool in that request because somewhere along the line the interpretation will get back to ten business days and APOC will be back at 14 days. There will be no grey areas if the committee is specific with seven business days going forward.

[4:03:51 PM](#)

CHAIR KREISS-TOMKINS withdrew his objection. There being no objection to changing 10 business days to seven business day, Conceptual Amendment 3 to HB 407 was adopted.

[4:04:16 PM](#)

The committee took a brief at-ease.

[4:04:41 PM](#)

CHAIR KREISS-TOMKINS announced he had an amendment which would be distributed to committee members and explained that HB 158 is sponsored by Representative Eastman, which this committee heard last year. Basically, he explained, it deletes statutes that APOC is not currently following, and he recently realized that the committee had heard this APOC cleanup bill, and that this bill is "sitting in Finance."

[4:05:38 PM](#)

CHAIR KREISS-TOMKINS moved to adopt Amendment 4, labeled 30-LS1525\D.1, Bullard, 4/4/18, which read as follows:

Page 1, line 1, following "An Act":

Insert "**relating to the location of offices for the Alaska Public Offices Commission and the locations at which certain statements and reports filed with the commission are made available;**"

Page 1, following line 8:

Insert a new bill section to read:

**\*\* Section 1.** AS 15.13.020(j) is amended to read:

(j) The commission shall establish a central [AN] office [, WHICH MAY BE CALLED A REGIONAL OFFICE, IN EACH SENATE DISTRICT IN THE STATE] to keep on file for public inspection copies of all reports filed with the commission [BY CANDIDATES FOR STATEWIDE OFFICE AND BY CANDIDATES FOR LEGISLATIVE OFFICE IN THAT DISTRICT; HOWEVER, WHERE ONE MUNICIPALITY CONTAINS MORE THAN ONE HOUSE DISTRICT, ONLY ONE COMMISSION OFFICE SHALL BE ESTABLISHED IN THAT MUNICIPALITY. THE REGIONAL OFFICE SHALL MAKE ALL FORMS AND PERTINENT MATERIAL AVAILABLE TO CANDIDATES. ALL REPORTS SHALL BE FILED BY CANDIDATES, GROUPS, AND INDIVIDUALS DIRECTLY WITH THE COMMISSION'S CENTRAL DISTRICT OFFICE. THE COMMISSION SHALL ENSURE THAT COPIES OF ALL REPORTS BY STATEWIDE AND LEGISLATIVE CANDIDATES IN EACH SENATE DISTRICT ARE FORWARDED PROMPTLY TO THAT DISTRICT OR REGIONAL OFFICE]."

Page 1, line 9:

Delete "**Section 1**"

Insert "**Sec. 2**"

Renumber the following bill sections accordingly.

Page 5, following line 17:

Insert new bill sections to read:

**\*\* Sec. 10.** AS 24.45.091 is amended to read:

**Sec. 24.45.091. Publication of reports.** Copies of the statements and reports filed under this chapter shall be made available to the public at the commission's central office and on the commission's Internet website [, THE OFFICE OF THE LIEUTENANT GOVERNOR, THE LEGISLATIVE REFERENCE LIBRARY OF THE LEGISLATIVE AFFAIRS AGENCY, AND AT THE COMMISSION'S DISTRICT OFFICES PRESCRIBED IN AS 15.13.020(j)] as soon as practicable after each reporting period.

**\* Sec. 11.** AS 24.45.111(b) is amended to read:

(b) The commission shall preserve the statements and reports required to be filed under this chapter for a period of six years from the date of filing. Copies [IF THE COMMISSION'S CENTRAL OFFICE IS NOT IN THE STATE CAPITAL, COPIES] of all statements and reports filed under this chapter shall be maintained in the commission's central [AN] office and be made available on the commission's Internet website [ESTABLISHED BY THE COMMISSION IN THE STATE CAPITAL OR IN THE OFFICE OF THE LIEUTENANT GOVERNOR]. "

Renumber the following bill sections accordingly.

REPRESENTATIVE TUCK objected.

[4:05:54 PM](#)

REPRESENTATIVE TUCK remarked that Amendment 4 to HB 407 is actually HB 158, and he was unsure there was ever an amendment deadline on this bill. He requested an explanation of Amendment 4, [HB 158].

[4:06:42 PM](#)

REPRESENTATIVE DAVID EASTMAN, Alaska State Legislature, explained that contained within the statutes are certain statutory requirements for APOC to accomplish, except the legislature never provided the funding. Therefore, he pointed out, it is not within APOC's means to accomplish those requirements and short of a significant increase in funding from this legislature, APOC will continue to not accomplish those requirements. Amendment 4 removes the requirement that APOC maintain an office in each of the Senate districts, and the

amendment does not result in the closure of any offices because APOC has not followed that particular statute. It is not a physical change; it is a change to the statute. There is no reference to using the internet currently in statute and Amendment 4 adds a reference that the legislature does want APOC to have a website, he said.

[4:07:42 PM](#)

REPRESENTATIVE KNOPP surmised that Representative Eastman's intent is, "the commission shall establish a central office" but the language is not specific as to where that office will be located. He asked whether it will be one APOC office or multiple offices somewhere. He further asked whether APOC currently maintains a central office in Juneau or Anchorage where most of this retention is done that is mentioned in the amendment.

REPRESENTATIVE EASTMAN answered that the Amendment 4 reads that APOC should at least have one office, and it currently maintains an Anchorage office which would satisfy that requirement. There is not a statutory requirement as to where that APOC office should be located, and if APOC decided to move to Fairbanks at some point, it could. He added that the amendment does not add any new requirements; it simply removes the requirement that APOC maintain more than one office.

[4:09:05 PM](#)

REPRESENTATIVE KNOPP surmised that the amendment removes the requirement that APOC have an office in every Senate district.

REPRESENTATIVE EASTMAN answered that Representative Knopp was correct.

REPRESENTATIVE KNOPP asked that if APOC currently maintained a Juneau and a Fairbanks office, whether it would require the closure of those offices so APOC would have only a central office.

REPRESENTATIVE EASTMAN answered that this amendment simply requires that APOC maintain at least one office, if it wanted more offices and the legislature appropriated the funds, it could open more offices.

[4:09:45 PM](#)

CHAIR KREISS-TOMKINS asked Ms. Hebden to comment on HB 158 and Amendment 4, and whether APOC would characterize this as basic statute cleanup by bringing those statutes into alignment with APOC's practices.

MS. HEBDEN described HB 158 as a statutory cleanup that would codify APOC's current agency practices. It is not interpreted as requiring a closure of an office, but rather to simply not have an office in each Senate district, which it does not at this point, she said.

[4:10:57 PM](#)

CHAIR KREISS-TOMKINS deferred to the will of the committee on this as it was a "late breaking idea" on his part to have some statutory cleanup performed while a vehicle was available.

[4:11:06 PM](#)

REPRESENTATIVE WOOL commented that Amendment 4 will "take APOC off the state's most wanted list of breaking the rules" because APOC does not currently maintain an office in every Senate district. This amendment "would sort of cleanup their act a little bit," he said.

REPRESENTATIVE LEDOUX asked that at the time APOC was created whether it ever had an office in every Senate district.

MS. HEBDEN opined that in the early years it contracted with local municipal clerk's offices to provide APOC forms and that type of assistance to filers. Given the rise in technology, most of the APOC filings take place online and it is not necessary to have forms on hand for filers, she explained.

REPRESENTATIVE KNOPP advised that he will support Amendment 4.

[4:12:32 PM](#)

REPRESENTATIVE TUCK removed his objection on Amendment. There being no objection, Amendment 4 was adopted.

[4:12:52 PM](#)

REPRESENTATIVE TUCK noted that he may offer an amendment on the floor of the House of Representatives or in the House Finance Committee, regarding a provision where when "you get down to the 24-hour reporting," if there are any contributions over \$250, a

candidate must report that amount. He opined that there is an anomaly there, whereas if someone is doing an "in-kind contribution" to their own campaign ... he opined that the reason for that \$250 report is to see any undue influence taking place at the very end of the campaign. Except, he pointed out, campaign limitations are not placed on the candidates themselves, they can donate any amount to their campaign, so how does a person unduly influence themselves. He said the potential amendment would be with regard to when a candidate has an in-kind contribution or even a donation to a candidate's own campaign, that as to the 24-hour reporting period, it is not necessary to report that donation.

[4:14:08 PM](#)

REPRESENTATIVE LEDOUX asked whether a candidate could make a donation to their own campaign within a certain period of time.

MS. HEBDEN answered that during the 33 days prior to the election, the candidate is limited to contributing no more than \$5,000 to their own campaign.

REPRESENTATIVE LEDOUX surmised that a candidate can donate to their own campaign up until the very end, the \$5,000.

MS. HEBDEN answered that Representative Ledoux is correct.

[4:15:38 PM](#)

CHAIR KREISS-TOMKINS opened public testimony on HB 407. After ascertaining no one wished to testify, he closed public testimony on HB 407.

[4:15:52 PM](#)

REPRESENTATIVE WOOL moved to report HB 407, labeled 30-LS1525\D, as amended, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, HB 407(STA) was moved from committee.

#### **SB 163-DEFINITION OF COMMERCIAL MOTOR VEHICLES**

[4:16:19 PM](#)

CHAIR KREISS-TOMKINS announced that the next order of business would be CS FOR SENATE BILL NO. 163(STA), "An Act relating to commercial motor vehicles."

[4:16:55 PM](#)

CHAIR KREISS-TOMKINS opened public testimony on SB 163.

[4:17:07 PM](#)

AVES THOMPSON, Executive Director, Alaska Trucking Association, offered support for SB 163 as it helps clarify the statutes and makes it easier for the trucking industry to understand and comply with the statutes and regulations governing the operations of the industry's businesses. This legislation reduces the burden put on farmers and farm vehicles by removing the 150-mile restriction on farmers transporting their "covered farm vehicles" while in the conduct of their business and it allows them to operate statewide. He noted that the legislation does make clear that if farmers choose to enter the "for hire world," they need to comply with the commercial vehicle rules and regulations. This legislation provides certainty for more carriers of passengers by clearly identifying school bus operations. School buses are not considered commercial motor vehicles while conducting school bus operations, but they will be required to comply with commercial vehicle rules and regulations should they engage in "for hire transport" other than school bus operations. He related that this bill also provides clarification for carriers transporting hazardous materials in amounts that require a placard. The Alaska Trucking Association urged the committee to consider these changes favorably as the changes will provide valuable clarifications, he said.

REPRESENTATIVE KNOPP noted that the Department of Transportation & Public Facilities (DTPF) provided the committee with a copy of the "farm plate mentioned in the bill," and opined that the state does not currently register "implements, farm trackers, whatever else may run down the road. We do motor vehicle, I think, as well," and noted that registrations must be renewed every two years with a price of \$68. He asked, "Are we now going to have to license hay wagons and anything else that we pull? As you know, in the commercial world we get the commercial plate which is -- doesn't expire, it's a permanent plate. And we've move to -- started exempted vehicles eight years old and older." He asked Mr. Thompson's thoughts on "this licensing thing. Are we now having to license a lot of implements that we never had to in the past?"

[4:20:03 PM](#)

MR. THOMPSON responded that that question is outside of his expertise and noted that the Alaska Trucking Association is looking more to the commercial vehicle safety regulations. It could be that some vehicles might be required to be registered, there are other truck-tractor, semi-trailer configurations that even in the farm operation would be required to be registered, he said.

[4:20:46 PM](#)

AMY SEITZ, Executive Director, Alaska Farm Bureau, offered support for CSSB 163, and noted that Alaskan farmers and ranchers must travel vast distances to reach their markets and gather the supplies necessary to operate their farm or ranch. She related that requiring farmers to operate their vehicles under the commercial motor vehicle regulations for seasonal or occasional use increases costs and burdens to the state's farmers, and the current exemption of travel within 150 miles of the farm is difficult because it restricts travel for access to markets or supplies. Changing the 150-mile limit for the exemption to statewide will clarify the issue for law enforcement because it is currently not clear whether a farm vehicle is within the 150-mile limit, she offered. She urged the committee to support the passage of CSSB 163, to help ease the restrictions of Alaska's farmers and their vehicles, and also give clarity to law enforcement.

[4:22:57 PM](#)

CHAIR KREISS-TOMKINS, after ascertaining no one wished to testify, closed public testimony on CSSB 163.

[4:23:08 PM](#)

REPRESENTATIVE KNOPP asked the Division of Motor Vehicles (DMV), [Department of Administration], to answer the question with regard to its intent as to the plates and whether there would be a new requirement for licensing trailers and such. He commented that if the Department of Transportation & Public Facilities (DTPF) had an answer he would be glad to hear its response.

[4:23:48 PM](#)

REPRESENTATIVE TUCK commented that these regulations are new, but the requirements are the same requirements because the only change is the 150-mile limit change to 500-mile limit.

REPRESENTATIVE KNOPP said that that would be his question because he was not aware Alaska had a farm plate in existence, he thought it was a new application, so that was a clarification.

[4:24:35 PM](#)

DANIEL BYRD, Chief, Commercial Vehicle Enforcement, Division of Measurement Standards and Commercial Vehicle Enforcement, Department of Transportation & Public Facilities (DTPF), advised that currently the "Covered Farm Vehicle" must have a method to identify the vehicle as a farm vehicle, which is the registration. There is a farm plate used for vehicles that are outside of the definition, but this bill would not change anything as far as how vehicles are registered, or what vehicles need to be registered. Typically, he offered, farm tractors and equipment would not be registered by the DMV, but the DMV should speak to that issue if there is still a question.

[4:25:47 PM](#)

REPRESENTATIVE WOOL moved to report CSSB 163, labeled 30-GS2597\D, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSSB 163(STA), moved from the House State Affairs Standing Committee.

[4:26:37 PM](#)

#### **ADJOURNMENT**

There being no further business before the committee, the House State Affairs Standing Committee meeting was adjourned at 4:27 p.m.