

SENATE FINANCE COMMITTEE  
February 15, 2017  
9:00 a.m.

9:00:48 AM

CALL TO ORDER

Co-Chair MacKinnon called the Senate Finance Committee meeting to order at 9:00 a.m.

MEMBERS PRESENT

Senator Lyman Hoffman, Co-Chair  
Senator Anna MacKinnon, Co-Chair  
Senator Click Bishop, Vice-Chair  
Senator Mike Dunleavy  
Senator Peter Micciche  
Senator Donny Olson  
Senator Natasha von Imhof

MEMBERS ABSENT

None

ALSO PRESENT

Chad Hutchinson, Staff, Senator Coghill.

PRESENT VIA TELECONFERENCE

James Harris, Owner, Juneau Taxi, Juneau; Sam Moore, Self, Anchorage.

SUMMARY

SB 9           MILITARY FACILITY ZONES

CSSB 9(FIN) was REPORTED out of committee with no recommendation and with a previously published zero fiscal note: FN 1 (MVA).

SB 14           TRANSPORTATION NETWORK COMPANIES

SB 14 was HEARD and HELD in committee for further consideration.

#sb9

SENATE BILL NO. 9

"An Act relating to military facility zones."

[9:02:09 AM](#)

CHAD HUTCHINSON, STAFF, SENATOR COGHILL, presented an overview of the legislation. He stated that the bill would maximize the benefit to Alaskans in areas surrounding military installations. The bill would create a streamlined process to obtain military facility zone designations from the Department of Military and Veterans Affairs (DMVA) by making it easier for local municipalities and boroughs to have a quicker application process. He stated that the military facility zones were important, because the zones allowed for lower interest rates, credits, and property reclassifications. The actions could occur as long as the underlying interest supported the military mission on the military installation. He felt that the bill was beneficial to national security and the military mission.

Vice-Chair Bishop MOVED to REPORT CSSB 9(FIN) with individual recommendations and the accompanying fiscal note. There being NO OBJECTION, it was so ordered.

CSSB 9(FIN) was REPORTED out of committee with no recommendation and with a previously published zero fiscal note: FN 1 (MVA).

[9:03:53 AM](#)

AT EASE

[9:07:47 AM](#)

RECONVENED

#sb14

SENATE BILL NO. 14

"An Act relating to transportation network companies and transportation network company drivers."

[9:08:09 AM](#)

Co-Chair MacKinnon REOPENED public testimony.

[9:08:45 AM](#)

JAMES HARRIS, OWNER, JUNEAU TAXI, JUNEAU (via teleconference), testified against the legislation. He remarked that the legislation would reduce the wages, and reduce the amount of money contributed to the state. He remarked that there was a certain pool of customers in each community. He remarked that his company was already not busy, so adding several drivers to the pool in a small customer base would reduce the wages across the board. He shared that the drivers would then only make minimum wage. He asserted that Uber drivers made minimum wage. He wondered why there was a concern to bring a business into the state that did not pay any money to the state and not pay their employees. There would be a negative effect on the cab industry, because there would not be as many dispatchers. He stressed that the taxi companies were required to have contracts; special insurance for the vehicles; pay extra at the Division of Motor Vehicles (DMV) for commercial registration. He assumed that Uber drivers would not have to purchase special insurance, because they use their personal vehicle, resulting in more state revenue lost. He noted that everyone would lose money, except for Uber. He felt that the bill would only slow down the industry, and limit the ability to not afford better vehicles and provide better service. He shared that Uber charged customers much more than what they would normally pay during a busy time.

Co-Chair MacKinnon requested a closing comment.

Mr. Harris concluded his comments.

[9:14:28 AM](#)

SAM MOORE, SELF, ANCHORAGE (via teleconference), spoke in favor of SB 14. She wanted to have more opportunities for mobility. She stated that she was legally blind, so she used the public transportation. She felt that the bill provided more mobility options for people to have an easier access to transportation. She felt that a safe ride would generate economic activity. She remarked that the bill was not about taxis, rather was about more mobility options. She felt that the bill would make for more vibrant, livable, and walkable communities.

Co-Chair MacKinnon CLOSED public testimony.

Co-Chair MacKinnon stressed that the bill did not address taxicabs. She explained that the legislation was a transportation network bill. She stated that the drivers were independent contractors: they would drive their own vehicles; use their own phone; no scheduled shifts; and would have no direct supervisor.

9:17:10 AM

AT EASE

9:17:26 AM

RECONVENED

9:17:29 AM

Co-Chair MacKinnon noted that Department of Commerce, Community and Economic Development (DCCED), Department of Law (LAW) would be available to answer questions about the fiscal note.

SB 14 was HEARD and HELD in committee for further consideration.

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ADJOURNMENT

9:17:55 AM

The meeting was adjourned at 9:17 a.m.