

SENATE FINANCE COMMITTEE
March 27, 2017
1:32 p.m.

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CALL TO ORDER

Co-Chair MacKinnon called the Senate Finance Committee meeting to order at 1:32 p.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

Hollis French, Appointee, Alaska Oil and Gas Conservation Commission; Leslie Ridle, Deputy Commissioner, Department of Administration; Don Ethridge, AFL-CIO, Juneau; Barbara Huff Tuckness, Director of Governmental and Legislative Affairs, Teamsters Local 959; Cheri Lowenstein Director, Administrative Services, Department of Administration.

PRESENT VIA TELECONFERENCE

Daniel T. Seamount, Jr., Appointee, Alaska Oil and Gas Conservation Commission, Anchorage; Marla Thompson, Director, Division of Motor Vehicles, Anchorage; Brian Duffy, Administrative Services Director, Department of Military and Veterans Affairs; Sharice Walker, Community and Public Relations Director Fairbanks Northstar Borough School District, Fairbanks; Thomas Roth, Chief Operating Officer, Anchorage School District, Anchorage; Aves Thompson, Executive Director, Alaska Trucking Association, Anchorage; Kara Moriarty, President and CEO, Alaska Oil and

Gas Association, Anchorage; Dan Lowden, Captain, Alaska State Troopers, Anchorage; Kevin Pomeroy, Laborers Local 942, Fairbanks; Eric Glatt, Staff Attorney, American Civil Liberties Union, Anchorage; Tim Jones, Doyon Utilities, Fairbanks; Pam Goode, Self, Rural Deltana; Edward Hasbrouck, Identity Project, San Francisco.

SUMMARY

SB 34 DRIVER'S LICENSE & ID CARDS & REAL ID ACT

SB 34 was HEARD and HELD in committee for further consideration.

CONFIRMATIONS: ALASKA OIL and GAS CONSERVATION COMMISSION

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DANIEL T. SEAMOUNT, JR., APPOINTEE, ALASKA OIL AND GAS CONSERVATION COMMISSION, ANCHORAGE (via teleconference), (AOGCC) introduced himself, and discussed his credentials. He relayed his professional and personal history as it related to AOGCC.

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Mr. Seamount concluded his introduction.

Co-Chair MacKinnon remarked that Mr. Seamount came before the committee with a vast expansion of experience in the field.

Mr. Seamount relayed his desire for the job and the qualifications that prepared him to serve in the position. He provided a brief personal history (copy on file). He hoped to continue on as an AOGCC commissioner and discuss new ideas pertaining to fracking, bond requirements, and any additional challenges the industry presented.

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Co-Chair MacKinnon probed the new fracking regulations and how they differed from past regulations.

Mr. Seamount replied that the new regulations required companies to perform a baseline geo-chemical survey of all the water wells within a half of a mile of the area to be fracked. Additionally, operators were required to submit fracking information to a national database accessible by the public. Thirdly, in an effort to make them easier to locate, all regulations related to fracking had been grouped together. He furthered that a hearing had been held on a potential new regulation that would require a public comment period before a fracking permit could be issued; a decision on the regulation had not yet been made.

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Co-Chair MacKinnon asked whether Mr. Seamount had received any jurisdictional questions about damaged pipelines.

Mr. Seamount responded in the negative. He noted that the recent pipeline leak in Cook Inlet was out of AOGCC jurisdiction.

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Vice-Chair Bishop wondered whether Mr. Seamount had ever participated in the prover ball calibration at Pump Station One, and whether the calibration was an annual event for AOGCC.

Mr. Seamount replied in the affirmative. He added that there had been an issue with access for inspectors to Pump Station One.

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Co-Chair MacKinnon clarified that Mr. Seamount was commissioner with expertise in geology.

Mr. Seamount replied in the affirmative. He noted that there was also a public commissioner and a petroleum engineering commissioner.

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HOLLIS FRENCH, APPOINTEE, ALASKA OIL AND GAS CONSERVATION COMMISSION, discussed his qualifications. He offered a

brief history of his experience as it was relevant to the position (copy on file).

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Co-Chair MacKinnon asked Mr. French how heavily he relied on the opinion of AOGCC staff when making decisions.

Mr. French replied that the commissioners relied enormously on AOGCC staff. He explained that much of the work of the commission was technically related. He said that permits were crafted by engineers and geologists before he saw them. He said that the staff was well qualified and that he relied on them for their expertise.

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Co-Chair MacKinnon queried the level of morale at AOGCC.

Mr. French felt that morale was high.

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Co-Chair MacKinnon noted that AOGCC had been without a commissioner for several years under the current administration. She wondered whether any permits had been denied since Mr. French had taken the commissioner position.

Mr. French replied that he did not believe so, he furthered that the approval process may have taken longer for some applicants than others. He stressed that the mission of AOGCC was to determine whether the permit complied with the statutes and regulations.

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Co-Chair MacKinnon asked what kind of instances could slow the approval of an application.

Mr. French responded that the turnaround for permit applications was approximately 10 days. He said that those that took longer involved newer companies who were learning to navigate the state's standards. He said that he could not speak to any specific hang-ups. He thought that any backlog involved adjudications and not permits and was not substantial.

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Co-Chair MacKinnon wondered whether any tension had arisen from companies not understanding Alaska's standards and regulations.

Mr. French stated that the only friction he had noticed was with companies that needed more training in the Alaskan way of doing business.

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Senator Micciche felt that the Mr. French had basic industry knowledge and that his 10 years as a senator with the legislature was valuable. He asked Mr. French to convince him that politics would not be a part of the decision making at AOGCC.

Mr. French replied that his discretion was limited by the boundaries set out in Alaska State Statute.

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Senator Micciche believed that Mr. French was going to run into political pressure from environmental groups, particularly because of fracking. He wondered how the environmental concerns would be balanced with industry analysis when drafting regulations.

Mr. French thought that the agency's idea of putting out the fracking permits for public notice over a ten day period would be helpful in finding a balance. He believed that the time would educate the environmental community to that the permits were more solid and based on science than they had initially considered.

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Co-Chair MacKinnon referred to the 2015 Take-Off Ruling and asked when the AOGCC expected to revisit the issue.

Mr. French had not be aware that the ruling was to be revisited. He understood that the ruling would set a take-off sufficient to build a large scale gas pipeline.

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Co-Chair MacKinnon asked whether Mr. French had the necessary tools to perform the job.

Mr. French replied in the affirmative.

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Vice-Chair Bishop FORWARDED the appointments of Daniel T. Seamount, Jr. and Hollis French be to a Joint Session for consideration in accordance with AS 39.05.080. This did not reflect an intent by any member to vote for or against the confirmation of the individuals during any further sessions.

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#sb34

SENATE BILL NO. 34

"An Act relating to the implementation of the federal REAL ID Act of 2005; and relating to issuance of identification cards and driver's licenses; and providing for an effective date."

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LESLIE RIDLE, DEPUTY COMMISSIONER, DEPARTMENT OF ADMINISTRATION, introduced herself and her support staff.

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Ms. Ridle discussed the PowerPoint, "CSSB 34 (STA) Driver's Licenses and ID Cards and REAL ID Act" (copy on file).

Ms. Ridle looked at Slide 2, "Federal REAL ID Act":

- REAL ID covers all 50 states, 5 territories and Washington, D.C.
- Establishes minimum requirements for secure issuance and production of state-issued driver licenses and IDs:

- o Requires states to verify a person's identity and lawful status
- o Requires special card design features like digital photo, signature, unique card number
- o Requires safeguards for issuance and production of licenses; i.e. clearly marking temporary, limited or otherwise non-compliant licenses as "Not for Federal Identification"
- 26 states currently offer REAL ID compliant cards
- 19 states including Alaska have extensions allowing continued issuance and production of non-compliant cards
- States that are non-compliant - WA, Co-Chair Neuman, MO, ME, MT
 - o Minnesota and Washington do have Enhanced IDs (chip cards) which are approved for REAL ID Compliant and TSA.
 - o Washington, Minnesota have current bills in 2017 for compliance

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Ms. Ridle addressed Slide 3, Federal REAL ID Act":

Why a Bill is Needed:

- AS 44.99.040 (a)(2) prohibits DMV from spending state funds to comply with REAL ID Act
- Without compliant ID, Alaskans will need another form of federal ID for TSA security screenings or to gain access to military bases and secure-entrance federal buildings
- REAL ID Act was designed to decrease fraud and ensure that states are checking the validity of documents presented with applications

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Ms. Ridle highlighted Slide 4, "CSSB 34 Driver's License, State IDs, REAL ID Act":

What CSSB 34 Does:

- Allows DMV to offer Alaskans a choice between a REAL ID compliant driver's license or ID, or a "standard" noncompliant license or ID
- Gives DMV authority to upgrade systems, equipment and processes for REAL/ID/DL card production
- Directs DMS to produce noncompliant licenses and IDs in Alaska.
- Directs DMV to give customers information regarding how data will be stored and how the licenses/IDs will be printed
- Disallows DMV from keeping photos of applicants for noncompliant licenses
- Disallows DMV from keeping copies of non-compliant documents
- Allows DMV to charge additional \$20 fee for REAL ID compliant licenses and \$15 for IDs to cover increased cost of production.

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Ms. Ridle looked at Slide 5, "What will change for REAL ID compliant cards":

- Alaska DMV will take a photo at time of application and store that image in Alaska
- DMV will validate birth certificate, passport or immigration information if provided by applicant
- REAL ID/DL cards will have unique design or color indicator to clearly distinguish from noncompliant cards

- Noncompliant cards will state "Not for Federal Identification"
- DL and ID's will now be valid for 8 years instead of 5

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Ms. Ridle addressed at Slide 6, "What Won't Change":

- DMV will still require the primary document, secondary document and proof of Alaska residency for compliant and noncompliant cards
- DMV will continue to background check employees
- DMV will continue to use a secure facility to produce compliant cards

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Ms. Ridle looked at Slide 7, "What Do People Need to Bring to Get Alaska ID/DL." She stated that the slide outlined the requirements to obtain and ID.

Primary Document

- An original or certified copy of a U.S. birth certificate
- Passport or passport card issued by the United States or US Territory.
- A foreign passport with appropriate immigration status forms issued by the U.S. Department of Homeland Security, U.S. Citizenship and Immigration Service.
- A resident alien, temporary resident alien, or employment work authorization document issued by the U.S. Department of Homeland Security, U.S. Citizenship and Immigration Service.
- U.S. military identification for active duty, retiree, or reservist.
- Certificate of Citizenship, Naturalization, or Birth Abroad.

Secondary Document

- All Primary Documents

- License from another state or AK
- Bureau of Indian Affairs card permit
- Employee photo ID or School ID
- Health insurance card
- Medical records
- Military dependent identification
- Pilot's license
- Marriage License
- Voter Registration Card
- TWIC Card

Proof of principal residence

- Utility bill
- Alaska voter registration card
- Alaska title and/or registration (Issued at least 30 days prior to application)
- Paycheck Stub
- Medical Assistance card
- Public Assistance card
- Canceled check or bank statement
- Mortgage or rental documents
- Letter from employer on letterhead verifying applicant's residence address

Proof of Social Security Number

- Social Security Number or letter from Social Security Office stating that applicant is not eligible for Social Security Number
- Commercial Drivers must holders must bring the actual social security card

Note: these documents are only needed for the first issuance of a license/ID

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Ms. Ridle highlighted Slide 8, "Real ID Process." The slide contained a flow chart that detailed the Real ID process. She pointed out that the yellow highlighted areas were the changes that would be applied should the REAL ID process move forward.

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Ms. Ridle turned to Slide 9, which detailed individual data bases, their purpose, who they are run by, and how their utilization would change under the Real ID Act.

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Ms. Ridle discussed Slide 10, "Timeline":

- January 2017 - Governor introduced bill to allow DMV to produce both compliant and noncompliant REAL ID ID/DLs
- June 6, 2017 - Alaska's waiver from Homeland Security Agency (HAS) ends
- June 7, 2017 - Unless we are granted additional waiver, approved federal ID will be required to access military bases and federal facilities
- January 22, 2018 - REAL ID compliant ID/DLs or other federal ID will be required at TSA security check points, unless Alaska has passed legislation and is working toward compliance
- October 1, 2020 - REAL ID compliant ID/DLs or other federal ID will be required at TSA security check points. No additional HAS waivers will be granted
- If REAL ID bill passes this session:
 - December 2017 - DMV completes ALVIN upgrade and begins REAL ID upgrades
 - Mid-2018 - REAL ID cards available to Alaskans

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Ms. Ridle looked at Slide 11, "REAL ID - Accessing Military Bases":

Who will be most impacted getting on military bases if waiver expires?

- State employees
 - DMVA
 - DHSS

- State Troopers
- DOLWD - OSHA inspectors

- Civilians
 - Moving companies
 - Facility maintenance companies
 - Retailers
 - Constructions workers
 - Visitors

- Anchorage School District
 - 4 Schools

- Fairbanks North Star Borough School Districts
 - 4 Schools

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Ms. Ridle displayed Slide 12, "REAL ID - Possible alternative documents":

Prior to the waiver granted in October 2016, Alaska military installations were poised to require federal ID to enter a military base:

Current list of IDs acceptable for access to JBBER:

- United States passports/United States passport cards
- Permanent Resident card/Alien Registration Receipt Card (Form I-766)
- Foreign passports with a temporary (I551) stamp
- An employment authorization document that contains a photograph (Form I-766)
- Current/valid driver's license or identification card issued by a state or outlying possession of the United States which is in compliance with the REAL ID Act of 2005
- Identification card issued by federal, state, or local government agencies that are REAL ID act compliant. (Minnesota and Washington identification card holders can have access to federal installations if their driver licenses

bear a small red, white, and blue U.S. flag logo on the front.)

- VA health identification card issued by the US Department of Veterans Affairs
- Merchant Mariner card issued by DHS/U.S. Coast Guard

TSA has not yet identified which forms of federal ID they will accept in Alaska in lieu of REAL ID/DLs, when enforcement commences in 2018

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Co-Chair Hoffman asked whether any states were exploring electronic identification as a method of complying with the Real ID Act.

Ms. Ridle said that she was unfamiliar with electronic identification.

Co-Chair Hoffman said that it was identification that was stored on an iPhone.

Ms. Ridle deferred the question to the Department of Motor Vehicles (DMV).

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MARLA THOMPSON, DIRECTOR, DIVISION OF MOTOR VEHICLES, ANCHORAGE (via teleconference), shared that there were test currently being conducted involving different ideas about how to create an ID that could be used on an iPhone. She said that the idea was conceptual at this point in time.

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Co-Chair Hoffman asked whether the iPhone option was being explored for use as a Real ID.

Ms. Thompson replied that she would look into the matter and get back to the committee.

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Senator Micciche understood non-compliant and Real ID licenses would be available at the DMV.

Ms. Ridle replied yes.

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Senator Micciche clarified that those worrying about database issues with the Real ID could use a state driver's license and the other listed documents in place of the Real ID.

Ms. Ridle responded yes.

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Senator von Imhof noted the Identity Project document in member's files (copy on file).

Ms. Ridle stated that she was not familiar with the document.

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Senator von Imhof read on of the bullet points on the Identity Project document:

A national database, the "State Pointer Exchange System" (SPEXS), has been created to implement the REAL-ID Act. The Alaska DMV uploaded information about all holders of Alaska driver's licenses and IDs - including name, date of birth, Social Security Number, etc. - to the SPEXS database over the weekend of January 28, 2017.

Senator von Imhof expressed concern for the uploaded information, citing the document:

SPEXS data about Alaskans is stored in Virginia by a private organization, AAMVA, and a private contractor, Clerus Solutions. Neither AAMVA nor Clerus Solutions is subject to the Privacy Act, Freedom of Information Act, or any of the other accountability and

transparency laws that apply to Federal or state government agencies.

Ms. Ridle stated that the information on the document was not entirely factual. She explained that there was information that was shared between the states in order to ensure that people only held one license at a time and not several licenses from several states. She clarified that the full social security number was not released, and if the state did not allow for the sharing of information, Alaska would be found non-compliant with the Real ID Act.

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Senator von Imhof understood that the SPEXS information was stored in Virginia.

Ms. Ridle explained that AAMVA was located in Virginia. She noted that more information on AAMVA could be found in the appendix of the presentation. She said that the non-profit group was comprised of all of the directors of DMVs across the United States.

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Senator von Imhof asked what sharing of information the Alaska DMV currently participated in, other than the AAMVA database.

Ms. Ridle referred to Slide 8. She explained that the top three checks, not highlighted in yellow, represented the information currently shared between states.

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Senator von Imhof asked whether there would be new scanning or checking protocols used by the Transportation Security Administration (TSA) to check the new Real IDs.

Ms. Ridle deferred the question to the DMV.

Ms. Thompson responded that the cards would not contain chips that would be scanned. She said that the scan of the card would only reveal the information printed on the front of the card.

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Senator von Imhof clarified that the scan would read only what was printed on the front of the ID card.

Ms. Ridle replied in the affirmative.

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Co-Chair MacKinnon asked how the social security number digits would be recorded.

Ms. Ridle responded that the number would not be on the card, but that the number would be entered into the system at the DMV, which was common practice.

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Ms. Ridle explained that when the actual card was scanned, the only information that was shared was what was on the front of the card. She said that the state-to-state database differed in that 5 digits of a person's social security number were shared information.

Co-Chair MacKinnon asked why 5 digits were used and not a lower number.

Ms. Thompson responded that the database was programmed for 5 digits. She said that the DMV had asked to use a lower number, but had been told that it would not provide the proper data and would error out.

Co-Chair MacKinnon thought that 4 digits should be sufficient.

Ms. Thompson said that the DMV would continue to advocate for the use of 4 digits.

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Co-Chair MacKinnon asked whether the 5 digits were required because of the platform that the DMV used for electronic transmission, or because it was required by the Federal ID Act.

Ms. Thompson said that it was required by the SPEXS program.

Co-Chair MacKinnon asserted that the federal Real ID Act did not require the transfer of 5 digits of a social security number.

Ms. Thompson agreed.

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Senator Micciche wondered why compliance was "such a priority" when there were alternative IDs available. He asked whether there was truth in the statement that 40 other states were not yet compliant with the Real ID Act.

Ms. Ridle agreed that many people had passports and other forms of ID, but that applying for a passport could be time consuming and expensive. She felt that the compliant IDs would be more easily accessible to all Alaskans, and were easier to replace if lost. She expressed concern the people in rural Alaska could face challenges when seeking a passport, due to their remote location.

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Vice-Chair Bishop asked whether rural areas would have the tools in place to acquire a Real ID.

Ms. Ridle replied that Real IDs would be available through any DMV in the state.

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Co-Chair MacKinnon relayed that a new sectional analysis had not been distributed because of confusion between the bill that had been introduced and the State Affairs Committee version. She asked Ms. Ridle if she could walk the committee through the most recent version.

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Ms. Ridle shared that the current version had several technical changes.

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Ms. Ridle discussed the current version of the bill and broke it down by sections. [Ms. Ridle read directly from CSSB 34(STA, 30-GS1781\O. (copy on file).]

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Vice-Chair Bishop asked whether the 8 year termination would apply to commercial driver's licenses (CDL).

Ms. Thompson explained that the CDL expiration date would be the 8th year following issuance of the license.

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Ms. Ridle continued to read from the legislation.

Co-Chair MacKinnon OPENED public testimony.

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BRIAN DUFFY, ADMINISTRATIVE SERVICES DIRECTOR, DEPARTMENT OF MILITARY AND VETERANS AFFAIRS (via teleconference), testified that the Joint Base Elmendorf-Richardson (JBER) was in compliance with provisions of the Real ID ACT. Visitors that wished to obtain unescorted access, and did not have identification cards compliant with the Real ID Act, were denied entry or were required to be escorted by a United State Department of Defense (DOD) ID cardholder while on the installation. He said that this included individuals with driver's licenses from Maine, Missouri, and Montana, and those with non-enhanced licenses from Minnesota or Washington. He stated that if Alaska Statute did not change before the extension expiration date, Alaska driver's licenses and similar identification cards would be added to the list of identification cards deemed "insufficient." He relayed that JBER leaders estimated that approximately 14,000 contractors and local services providers could be affected and required to have

alternative forms of identification, or would be unable to access the installation. He stressed that it would be unreasonable to assume that the installation could provide an escort for those visitors. He said that currently those without other DOD credentials used base issued defense biometric identification cards to obtain unescorted access. Upon that cards normal expiration date, Real IDs would be necessary to renew. He opined that the incoming class from eh youth military academy would be affected because many of them would turn 18 while enrolled and would need Real ID compliant forms of identification to obtain card for base access.

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SHARICE WALKER, COMMUNITY AND PUBLIC RELATIONS DIRECTOR FAIRBANKS NORTHSTAR BOROUGH SCHOOL DISTRICT, FAIRBANKS (via teleconference), spoke in support of the bill. She said that there were 3 schools in her district on Eielson Airforce Base, and one on Fort Wainwright, that served approximately 1400 students and had 162 regular staff members in addition to many district-wide employees. She added that the schools regularly needed substitute teacher, as well. She lamented that without a state ID option, hundreds of staff members would have to procure a passport in order to continue to do their jobs. She shared that the district already struggled to attract substitute teachers to fill absences at Eielson because of its distance from town, and believed that the requirement to get a passport would add to that challenge. She said that most of the children enrolled in the schools were military connected, but that some were not, and those civilian students families would lose access to their children while at school. She stated that the district supported that passage of SB 34 in the interest of maintaining excellent service to the students while sustaining the longstanding bond between local communities and the military population.

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THOMAS ROTH, CHIEF OPERATING OFFICER, ANCHORAGE SCHOOL DISTRICT, ANCHORAGE (via teleconference), spoke in support of the bill. He said that the Anchorage school district educated 1,597 student at JBER, the majority of which were the dependents of active duty Army soldiers and Air Force airmen, at 5 elementary schools located on the installation. He stated that the districts information technology department was also located on the installation.

He relayed from JBER, the district bussed 25 special needs students to schools throughout the district, and 513 secondary school students to middle and high schools in Eagle River and Anchorage. He related that at any given time during a standard day up to 500 district employees supported JBER activities, schools, and students. He shared that in addition to educating students the district provided administrative oversight to school staff, maintained, repaired, and cleaned all district facilities and equipment, performed and managed construction projects, managed and maintained networks, and generally performed all of the functions expected of a neighborhood elementary school. He shared that the district was going to mandate that current and future employees obtain a Real ID compliant identification at individual cost beginning early April 2017. He concluded that the legislation should be enacted.

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AVES THOMPSON, EXECUTIVE DIRECTOR, ALASKA TRUCKING ASSOCIATION, ANCHORAGE (via teleconference), spoke in support of the legislation. He said that many commercial vehicle drivers, both CDL and non-CDL, had need to enter military installations in the course of their daily deliveries. He felt that the impact to those drives would be considerable. He relayed his understanding of the federal law. He listed the commodities that the truck drivers were responsible for providing to military bases.

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KARA MORIARTY, PRESIDENT AND CEO, ALASKA OIL AND GAS ASSOCIATION, ANCHORAGE (via teleconference), testified in support of the bill. She relayed to the committee her understanding of what the legislation would do. She stated that the issue was important to the oil and gas industry as most of their current production was on the North Slope, and nearly every employee utilized air travel that required passing through TSA checkpoints to get to work. She said that without passage of the bill all of their employees would be required to get a passport, which would be a challenge to accomplish by the federal deadline for compliance.

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DAN LOWDEN, CAPTAIN, ALASKA STATE TROOPERS, ANCHORAGE (via teleconference), relayed that he was available for questions.

Vice-Chair Bishop asked what kind of information was currently available to law enforcement when they ran a license during a routine traffic stop.

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Mr. Lowden replied that the ID would be run through the National Crime Information Center (NCIC) in order to check for traffic histories, warrants, and locates in other cities.

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KEVIN POMEROY, LABORERS LOCAL 942, FAIRBANKS (via teleconference), testified in support of the bill. He shared that he represented over 5,000 members from Barrow to None, Kotzebue, the Interior, and Southeast Alaska. He relayed that a substantial amount of military construction was scheduled to begin, which would require scores of additional seasonal construction workers all needing entry to military bases. He said that there had been a major effort over the past several months to focus on Alaska hire on many of the projects. He said that the state needed to issue Real ID compliant identification, otherwise Alaskan workers will be replaced by out-of-state workers who have Read ID compliant identification. He expressed concern for Alaskans who travel in-state for work, or who had to travel for medical reasons. He felt that it was urgent that the state offer the choice to get a federally compliant ID. He lamented that otherwise, Alaska would be the only state where a person would need a passport in order to visit the state capital.

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DON ETHRIDGE, AFL-CIO, JUNEAU, spoke in support of the legislation. He relayed that passports took a very long time to receive, even when expedited, which was expensive. He countered that renewing a license at the DMV was much faster. He stated that most of the information necessary to receive a Real ID was already available online.

[3:03:21 PM](#)

BARBARA HUFF TUCKNESS, DIRECTOR OF GOVERNMENTAL AND LEGISLATIVE AFFAIRS, TEAMSTERS LOCAL 959, spoke in support of the bill. She shared that her members were already subject to extensive background checks. She expressed concern that workers from out-of-state could have an advantage over Alaskan workers without Real ID compliant identification. She testified that the legislation would ensure that her member's work opportunities were not jeopardized, and that the public was not negatively impacted.

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ERIC GLATT, STAFF ATTORNEY, AMERICAN CIVIL LIBERTIES UNION, ANCHORAGE (via teleconference), spoke in opposition to the legislation. He expressed concern about the privacy implications of the Real ID Act. He said that the act placed an unfair burden on the people of Alaska without proof of it furthering any compelling security interests. He hope that the committee would consider the recommendations from the ACLU, and take the steps to compromise Alaskans privacy to the least extent possible. He spoke of the work that the ACLU had done in opposition to the Real ID Act. He relayed that written recommendations had been sent to the committee (copy on file).

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Co-Chair MacKinnon expressed appreciation for the testimony.

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Vice-Chair Bishop asked Mr. Glatt for a contact number.

Mr. Glatt replied 907-263-2005.

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TIM JONES, DOYON UTILITIES, FAIRBANKS (via teleconference), testified that the company owned, operated, and maintained the utilities of three army installation in the state. He expressed support for the legislation. He said that his company employed 170 Alaskans, all of whom required access to military installations as a requirement of holding their job. He feared that if the state remained non-compliant,

non-Alaskan companies would be awarded contracts in the state, rather than Alaskan companies.

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PAM GOODE, SELF, RURAL DELTANA (via teleconference), spoke against the bill. She believed that the bill was in violation of the Constitution.

[3:14:27 PM](#)

EDWARD HASBROUCK, IDENTITY PROJECT, SAN FRANCISCO (via teleconference), spoke against the legislation. He stated that he had submitted a written testimony (copy on file). He highlighted the possible fiscal implications of the legislation.

[3:18:04 PM](#)

Co-Chair MacKinnon CLOSED public testimony.

[3:18:26 PM](#)

Co-Chair MacKinnon solicited comments in response to the public and invited testimony.

Ms. Ridle replied that the original bill and the most recent version both offered a choice to Alaskans. She stressed that the idea that everyone could just get a passport seemed easy enough in theory, but that the reality was that it would be a cumbersome and expensive process for many Alaskans. She assured the committee that the DMV encrypted their data in order to ensure that information was kept confidential.

[3:19:46 PM](#)

Co-Chair MacKinnon asked how many states were participating in the AAMVA program.

Ms. Ridle deferred the question to the DMV.

Ms. Thompson responded that 15 states were participating in the AAMVA program.

[3:20:36 PM](#)

Co-Chair MacKinnon queried the issue surrounding the number of digits of a social security number that were shared using the program.

Ms. Thompson replied that the state-to-state program was developed and run by the states. She said that the point was to ensure that people only had one drivers license issued to them at a time.

[3:21:20 PM](#)

Co-Chair MacKinnon maintained that five digits was unacceptable.

Ms. Thompson replied that the DMV was simply doing what was required and that she could not change the entire system in order to accommodate Alaskans concerns for privacy.

Ms. Ridle furthered that the DMV could lobby for a change to four digits.

[3:22:43 PM](#)

Co-Chair MacKinnon asked for the timeframe for implementation if the bill were to pass this legislative cycle.

Ms. Ridle replied that if a bill were to pass the state would receive another waiver to allow for set-up time. She noted that there was not a DMV in ever community, which meant that the earliest that the process could begin would be spring of 2018.

[3:23:50 PM](#)

Co-Chair MacKinnon understood that no waivers would be granted after 2020.

Ms. Ridle replied in the affirmative.

[3:24:09 PM](#)

Co-Chair MacKinnon surmised that the state would handle the change through an extension on the waiver process, versus the DMV issuing compliant licensure.

Ms. Ridle explained that the two would be concurrent; the state would receive the waiver while the changeover occurred. She hoped that the waiver could extend for as long as it took to get all Alaskans the proper identification under the law.

Co-Chair MacKinnon spoke to the possible expense for the equipment needed to produce the licensure in the state. She wondered whether the administration could comply with the changes proposed in the legislation.

Ms. Ridle replied that compliance would be impossible without first purchasing the proper equipment. She shared that fiscal note information on the cost of in-state production could be made available. She said that the DMV would prefer to use an outside company for printing of IDs.

[3:26:41 PM](#)

CHERI LOWENSTEIN DIRECTOR, ADMINISTRATIVE SERVICES, DEPARTMENT OF ADMINISTRATION, interjected that the \$1.5 million reflected in the fiscal note would go toward the purchasing of equipment to make the state real ID compliant; the additional \$530,000 in the note was for the production of the licenses in-state. The fiscal note reflected the one position that would be dedicated to the project, also funds were being requested to cover the additional cost of producing Real IDs.

[3:27:57 PM](#)

Ms. Ridle explained that the note envisioned a central issuance in the state.

[3:28:50 PM](#)

Senator Micciche asked whether a Real ID would serve the same purposes as a passport for international travel.

Ms. Ridle replied in the negative. She believed a person would still need a passport to travel outside of the country.

[3:29:04 PM](#)

Senator Micciche understood that a passport would satisfy all of the requirements of the Real ID Act.

Ms. Ridle replied in the affirmative.

[3:30:10 PM](#)

Senator Micciche understood that the program was optional.

Ms. Ridle replied that the process at the DMV would have been identical for compliant and non-compliant IDs. She stated that under the current version photos, and other documentation would not be retained by the DMV; those who obtained a non-compliant license would have to produce all of the pertinent documents each time they renewed their license.

[3:30:36 PM](#)

Senator von Imhof supported the use of four and not five digits of a social security number. She asked whether there was a way to be in compliance, while meeting the needs of some of the privacy concerns that had been raised.

Ms. Ridle responded that there were ways that the DMV could explore the suggestions made by the ACLU. She said that she was not sure if electronic copies of documents needed to be kept.

[3:32:20 PM](#)

Ms. Thompson believed that a paper copy would be sufficient, but that she would need to double check.

Co-Chair MacKinnon announced that amendments were due to her office by 5pm on Tuesday, March 28, 2017. She discussed housekeeping.

SB 34 was HEARD and HELD in committee for further consideration.

#

ADJOURNMENT

[3:33:37 PM](#)

The meeting was adjourned at 3:33 p.m.