

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

May 14, 2019

4:23 p.m.

MEMBERS PRESENT

Representative Zack Fields, Co-Chair
Representative Jonathan Kreiss-Tomkins, Co-Chair
Representative Grier Hopkins
Representative Andi Story
Representative Adam Wool
Representative Laddie Shaw

MEMBERS ABSENT

Representative Sarah Vance

COMMITTEE CALENDAR

PRESENTATION: VOTE AT HOME/VOTE BY MAIL

- HEARD

SENATE BILL NO. 100

"An Act naming the Willard E. Dunham Residence Hall."

- MOVED SB 100 OUT OF COMMITTEE

HOUSE BILL NO. 132

"An Act relating to the Alaska permanent fund; relating to the earnings reserve account; relating to the permanent fund dividend; relating to deposits into the permanent fund; relating to appropriations to the dividend fund and general fund; and providing for an effective date."

- MOVED CSHB 132 (STA) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: SB 100

SHORT TITLE: NAMING WILLARD E. DUNHAM RESIDENCE HALL

SPONSOR(s): SENATOR(s) MICCICHE

03/27/19	(S)	READ THE FIRST TIME - REFERRALS
03/27/19	(S)	STA

04/10/19 (S) STA WAIVED PUBLIC HEARING NOTICE, RULE
23
04/11/19 (S) STA AT 3:30 PM BUTROVICH 205
04/11/19 (S) Moved SB 100 Out of Committee
04/11/19 (S) MINUTE (STA)
04/12/19 (S) STA RPT 4DP 1NR
04/12/19 (S) DP: SHOWER, REINBOLD, MICCICHE, COGHILL
04/12/19 (S) NR: KAWASAKI
04/17/19 (S) TRANSMITTED TO (H)
04/17/19 (S) VERSION: SB 100
04/22/19 (H) READ THE FIRST TIME - REFERRALS
04/22/19 (H) STA
05/14/19 (H) STA AT 3:00 PM GRUENBERG 120

BILL: HB 132

SHORT TITLE: PERM. FUND:DEPOSITS;DIVIDEND;EARNINGS
SPONSOR(s): REPRESENTATIVE(s) WOOL

04/15/19 (H) READ THE FIRST TIME - REFERRALS
04/15/19 (H) STA, FIN
04/25/19 (H) STA AT 3:00 PM GRUENBERG 120
04/25/19 (H) Heard & Held
04/25/19 (H) MINUTE (STA)
05/11/19 (H) STA AT 11:30 AM GRUENBERG 120
05/11/19 (H) Heard & Held
05/11/19 (H) MINUTE (STA)
05/14/19 (H) STA AT 3:00 PM GRUENBERG 120

WITNESS REGISTER

DENNIS WHEELER

Municipality of Anchorage (MOA)
Anchorage, Alaska

POSITION STATEMENT: Co-presented Vote at Home/Vote by Mail.

AMBER MCREYNOLDS, Executive Director
National Vote At Home Institute and Coalition
Denver, Colorado

POSITION STATEMENT: Co-presented Vote at Home/Vote by Mail with
the use of a PowerPoint presentation.

EDRA MORLEDGE, Staff
Senator Peter Micciche
Juneau, Alaska

POSITION STATEMENT: Presented SB 100 on behalf of Senator
Micciche, prime sponsor.

ACTION NARRATIVE

[4:23:20 PM](#)

CO-CHAIR JONATHAN KREISS-TOMKINS called the House State Affairs Standing Committee meeting to order at 4:23 p.m. Representatives Hopkins, Story, Wool, Fields, and Kreiss-Tomkins were present at the call to order. Representative Shaw arrived as the meeting was in progress.

PRESENTATION: Vote at Home/Vote by Mail

[4:24:03 PM](#)

CO-CHAIR KREISS-TOMKINS announced that the first order of business would be a presentation by Dennis Wheeler and Amber McReynolds.

[4:24:10 PM](#)

The committee took a brief at-ease at 4:24 p.m.

[4:24:23 PM](#)

DENNIS WHEELER, Municipality of Anchorage (MOA), stated that he works for Resource Data, Inc., which was contracted by MOA to assist with initiating and conducting its Vote by Mail (VBM) project. He maintained that VBM has been very successful in creating more voter engagement, simplifying the process for the administration of elections, and providing voters with a variety of ways to return ballots. He stated that he considers the system to be more "universal return" rather than just VBM; votes may be returned by mail, there are six vote centers, and drop boxes are placed throughout the city.

MR. WHEELER said that the basic concept of the voting system is as follows: MOA receives voter data from the State of Alaska; voter data is matched with MOA's Geographic Information System (GIS) to pinpoint a voter's location to ensure he/she gets the appropriate ballot; the ballot packages are printed; and the ballot packages - over 200,000 - are mailed out. In each package is a ballot, a secrecy sleeve, voter instructions, and a specially coded return envelope for each voter. The voting instructions may be customized depending on additional requirements to be met for registration. The packages are mailed three weeks before the election and returned by Election Day via the various methods mentioned.

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REPRESENTATIVE STORY asked about ballot security.

MR. WHEELER answered that each voter is assigned a bar code number for each election; when the envelopes are returned, the voter system can recognize the identifying code and the voter associated with that code. The system can determine whether that identifying code has already been used or if a voter has voted more than once. In that case the packet is sorted out mechanically and reviewed by election officials. He stated that there have been instances in which a voter gets a ballot package in the mail, votes the package, but also votes at a vote center. He explained that because election data is not exposed across the internet, the isolated vote centers do not have real-time updated data; however, the system at the election center will catch that double voting. If fraud is suspected, the incident will be referred to the municipal attorney's office or Anchorage Police Department (APD) for follow-up.

MR. WHEELER continued by relaying another level of security: the voter must sign the return the envelope; the signatures are matched to election signatures from previous elections - both state and local; MOA is helping the state build up its database of signatures provided by the voters from the poll books and absentee applications. The election officials have been trained to verify signatures; each envelope undergoes two signature reviews.

REPRESENTATIVE WOOL asked for confirmation that every signature is verified manually.

MR. WHEELER replied yes. He added that the election software lines up the signatures for review; the process goes quickly; and the signatures are verified as they come into the election center.

REPRESENTATIVE WOOL asked whether the signature on the voting register at the polling station is used for verification.

MR. WHEELER responded that those signatures gathered at the polling station during the previous poll-based elections could have been used for verification if needed but were not used routinely. What MOA did for its project was to scan the polling station signatures from the last three municipal elections and added them to the state signature database.

REPRESENTATIVE WOOL suggested there might be software in the future to verify signatures.

MR. WHEELER agreed. He said that the software exists; however, MOA decided not to spend the additional money on it because of the understanding that every system that used computer verification also used human verification. He explained that to use computer verification, the computer must be "told" how many different points of reference that the user is willing to accept before flagging it for review. The municipality determined that it could save the money; since human review would be necessary anyway, it would be faster and more efficient to use only human review. The software could always be added later.

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CO-CHAIR KREISS-TOMKINS asked about the cost of VBM. He acknowledged the one-time upfront costs of setting up the system and asked whether Mr. Wheeler could comment on the long-term operational cost of the system compared with the previous traditional polling station system.

MR. WHEELER answered that the municipal clerk's report stated that in the 2017 Anchorage Assembly race, the election turnout was 23 percent, and the cost was \$670,000. In the last election [4/2/19] the turnout was 28.7 percent, and the cost was \$646,000. He offered that there has been a reduction in cost and a reduction in cost per vote. He mentioned that in the first roll-out of the new system, the clerk took a conservative approach in terms of overstaffing and over-supplying; the cost of that election was \$944,000. He expressed his belief that the operational costs will decline with experience. He said that the new election system uses fewer personnel, but the printing costs have increased with the use of envelopes and secrecy sleeves.

[4:37:28 PM](#)

AMBER MCREYNOLDS, Executive Director, National Vote At Home Institute and Coalition, relayed her experience with policies and implementation of voting systems, administering elections, and leading Colorado's transition to a full ballot-delivery system as Colorado's Director of Elections. She mentioned that Colorado has led the states in voter registration rates through improved registration processes. In the transition to full VBM with vote centers, Colorado was able to reduce costs by about 40

percent on average across the state; the greatest cost savings was in capital expenditures on voting machines - an 80-90 percent reduction in cost.

MS. MCREYNOLDS referred to her PowerPoint presentation, entitled "Vote at Home." She turned to slide 2, which read: "Voting is about Customer Service....Operational Efficiency...and Innovation."

MS. MCREYNOLDS moved on to slide 3 to review a flowchart, which indicated that a pro-voter policy, a voter-centric process, and effective technology all contribute to an improved voting experience. She referred to the automatic signature verification software and maintained that the software was deployed in Denver and has worked effectively over time; many Colorado counties use the software. She explained that the software can be set to a high-match setting, which matches about 35-40 percent of the signatures; and the remaining signatures are reviewed by bipartisan teams of election judges.

[4:42:16 PM](#)

REPRESENTATIVE HOPKINS asked whether Colorado offers electronic voting.

MS. MCREYNOLDS answered that Colorado has that option for military voters and voters with special circumstances.

REPRESENTATIVE HOPKINS asked for confirmation that electronic voting is not available for the general public and asked what voter security measures Colorado uses to insure electronic transmissions.

MS. MCREYNOLDS replied that military voters use a secure file transfer protocol (FTP) site, which includes a login with a key identifier. The military member votes on the computer, prints out the ballot, and sends it in both by mail and electronically. If the paper ballot cannot be mailed in, the electronic ballot is tabulated. She added that the electronic ballot is encrypted, sent to a secure server, downloaded, printed, and processed as a paper record.

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MS. MCREYNOLDS turned to slide 4, entitled "The Case for Expanding Vote at Home Systems," which read:

- ✓ Improves the Voting Experience
- ✓ Enhances Security
- ✓ Provides Options & Choice
- ✓ Empowers the Voter
- ✓ Improves Efficiency in Election Administration, for Campaigns, & for Voters
- ✓ Increases Engagement & Turnout

MS. MCREYNOLDS explained that security is enhanced because most of the votes are on hand-marked paper ballots and centrally counted. She described another level of security: There are four VBM states; Hawaii just became a VBM state last week. The other three VBM states -Washington, Oregon, and Colorado - have the most accurate address lists in the country; they are all members of the Electronic Registration Information System (ERIC) - a sharing network among states; they all do proactive list maintenance, address updates through the post office, and automatic registration. She explained the verification processes: Mailed ballots are not forwardable; therefore, a ballot that is returned "undeliverable" requires action by the voter. The voter must update his/her address in person or online to have a new ballot sent. The second verification step is the signature verification. If the signature does not match, as determined by two election judges, the Elections Division mails a discrepancy letter requesting a copy of identification (ID) and an affidavit. The discrepancy may be resolved in person or by electronic means.

MS. MCREYNOLDS offered that Vote at Home (VAH) gives voters three weeks to research issues and candidates, make their choices, and return ballots at their convenience. Consequently, there is increased engagement, more complete voting, and less errors.

MS. MCREYNOLDS maintained that VAH has produced significant cost reductions both in capital expenditures and operational efficiencies. She said that just like any business, if you streamline operations and make the customer process easier, less time and money is spent on responding to complaints and dealing with issues.

MS. MCREYNOLDS relayed that VAH improves efficiency in campaigns, allowing them to refocus efforts as Election Day approaches.

[4:50:06 PM](#)

MS. MCREYNOLDS moved to slide 5, entitled "Who Do We Support," and explained that National Vote At Home Institute and Coalition is a non-partisan, non-profit organization designed to support voters; it has educational materials on its website discussing processes, policy, best practices, research, and implementation of VAH.

MS. MCREYNOLDS turned to the map on slide 7, entitled "2018 Mid-term Election Turnout," to point out election engagement by state during the 2018 mid-term election; all three VAH states were in the top seven states for engagement; all three had lower costs for the election.

REPRESENTATIVE WOOL asked why the other four states in the top seven, which do not have VAH, have such high levels of engagement. He asked whether they have other improved election practices.

MS. MCREYNOLDS responded that there are a couple reasons: Minnesota consistently ranks high; in 2018 it had two competitive Senate races; and voter outreach was extensive. Colorado did not have any Senate races that year. Minnesota does not require a voter to affiliate with a party upon registration. Both Minnesota and Wisconsin have same-day registration and other election reforms that have enhanced engagement. She added that three of the states from the top seven list - Maine, Minnesota, and Wisconsin - have VAH as an option, but are not full VAH states.

MS. MCREYNOLDS referred to slide 8, "Down Ballot Positive Impact of VAH," to discuss the benefits of voters having more time to research issues. She cited the results of two studies: A 2016 study in Utah found a 5.5 percent increase in votes "down ballot" in VAH counties versus polling place counties. An Emory University professor found that the VBM and VAH elections cause an increase in turnout in municipal elections and a decrease in ballot "roll-off" on statewide ballot measures in presidential election years; the researcher also found that voters who are getting their ballots at home are more informed because they have more time to research issues.

[4:55:31 PM](#)

REPRESENTATIVE STORY asked whether there are statistics on the number of people who do not vote down ballot.

MS. MCREYNOLDS responded that the [Utah] study found that VBM voters were voting 6 percent farther down the ballot; she maintained that similar outcomes were seen in Colorado. She explained that the ballot can be quite lengthy and time consuming to read thoroughly.

MS. MCREYNOLDS moved to the map on slide 9, entitled "Current Vote at Home Status by State," to demonstrate the VAH status of each state. Washington, Oregon, and Colorado are at step 5, which is full VAH; California and Utah are transitioning to full VAH; states at step 4 are those having a permanent mail ballot option with the voter needing no excuse for choosing the mail option; states at step 3 allow a mail ballot with no excuse, but the mail ballot must be requested each time; states at step 2, such as Texas, Louisiana, and Tennessee, require an excuse for requesting a VBM ballot with an age waiver - that is, anyone age 65 or over may request a VBM ballot, but anyone under 65 must provide a doctor's note or proof of a legitimate excuse for not being able to vote at a voting place on Election Day; states at step 1, such as Missouri, Arkansas, West Virginia, and Pennsylvania, require anyone requesting a VBM ballot to have an excuse supported by a doctor's note or other documentation verifying that he/she is physically unable to be present at the polling place, and the proof must be submitted each time a VBM is requested.

CO-CHAIR KREISS-TOMKINS expressed his surprise that some states require an excuse for an absentee ballot. He asked whether in the states that adopted the no-excuse permanent mail absentee ballot option, the number of people choosing that option increased over time.

MS. MCREYNOLDS answered that it depends. Montana and Arizona have been at step 4 for several years; both are over 74 percent VBM usage. She expressed her belief that these states would be better off transitioning to step 5 - full VAH - because the election process under step 4 is the most expensive. They send out most of the ballots by mail and most of the voters use VBM; however, the states still utilize early voting, polling places, and the equipment and allocation. She maintained that on the positive side, it is a system in which voters can choose, and over time, use of VBM grows. She said that under the permanent option, knowing the number of ballots that will be mailed helps a state allocate resources for in-person voting.

[5:02:54 PM](#)

REPRESENTATIVE HOPKINS mentioned that VBM voting in Alaska is called "absentee voting." He asked about the terminology - absentee voting, VBM, and VAH - and whether it makes a difference in the understanding of the process.

MS. MCREYNOLDS replied that she would like to ban the word "absentee" in voting, because it does not have meaning for most voters; it implies being absent rather than using a different method of voting. She maintained that people understand voting methods - returning the ballot by mail or putting it into a drop box - and the terminology used should make it easier for voters to understand. She said that "absentee" does not describe the process.

MS. MCREYNOLDS relayed that different states have different needs, and no one solution will serve every state. She turned to slide 10, "Elements of an Effective Vote at Home Model," which read:

- Ballot Delivery
- Proactive Address Updates
 - NCOA
 - AVR
- Effective Cure Process
- In-person voting experience at Vote Centers
- Ballot drop-off options including 24 hour ballot boxes
- Electronic Delivery for UOCAVA voters & Accessible needs
- Audits
- Pre-paid postage
- Ballot TRACE
- Civic Design
- Appropriate penalties to protect voters
- Adjust processing & counting deadlines

MS. MCREYNOLDS pointed out that the United States Postal Service (USPS) is the only entity in the U.S. that serves every election office and every citizen in one way or another. She explained that when addresses are updated through USPS, states may use that data to initiate automatic voter registration and to keep its election addresses current. She emphasized the importance of an "effective cure process" for voters whose signatures don't match - one that is transparent and provides accountability throughout. She maintained that in-person voting options should be available.

5:07:05 PM

REPRESENTATIVE WOOL asked whether Oregon offers in-person voting.

MS. MCREYNOLDS responded that it is offered at limited locations. She added that Washington and Colorado offer it as well; California and Colorado offer greater options for in-person voting.

REPRESENTATIVE WOOL asked whether every voter in a VBM or VAH state automatically gets a ballot in the mail; however, they may vote in-person if they choose.

MS. MCREYNOLDS answered yes. She continued reviewing the remaining elements on slide 10: ballot drop-off options by mail, ballot boxes, or drive-up drop-off; military voters; audits pre-election and post-election; pre-paid postage; ballot tracking systems; design of ballot and clear instructions; appropriate penalties to discourage nefarious activity; and establishing appropriate processing and counting deadlines to allow election officials to complete the tally timely.

5:11:40 PM

MS. MCREYNOLDS referred to slide 12 to point out the resources available on the National Vote At Home Institute and Coalition website which read:

- ✓ Policy & Research Guide: www.voteathome.org/guide
- ✓ Research Library: www.voteathome.org/library
- ✓ Latest news: www.voteathome.org/latest
- ✓ Twitter: @voteathome
- ✓ Facebook: NationalVoteAtHome

MS. MCREYNOLDS gave her contact information: amber@voteathome.org.

CO-CHAIR KREISS-TOMKINS referred to the 80-90 percent cost savings associated with VAH and asked whether it represents the ongoing operational cost of administering a VAH election system versus a traditional polling place election system.

MS. MCREYNOLDS answered that the cost savings cited was specific to capital equipment expenditures. She said that if Colorado

had not transitioned to VAH, Denver would have spent about \$15-17 million on a new voting system; instead it spent \$1.5 million. The State of Colorado spent \$17-20 million for all 64 counties; if it had not transitioned to VAH, the cost would have been \$150-200 million to outfit all the polling places with the necessary equipment to process voters and count ballots. She stated that the second largest saving for Colorado was in the cost of poll workers; there was about a 60-70 percent reduction in the number of poll workers required to staff the election. Other reductions in cost involved the operational costs of an election; Pew Research Center conducted a post-implementation study of Colorado in 2014, which demonstrated that there was about a 40 percent reduction in operational costs for most of the counties across the state.

[5:15:17 PM](#)

REPRESENTATIVE WOOL asked whether the election equipment that did not have to be replaced were ones that processed paper ballots or were electronic voting machines.

MS. MCREYNOLDS answered that some counties had electronic voting with a paper option; Denver offered voters a choice of a paper ballot or a machine; it varied by county. She stated that at the point of transitioning to full VAH, about 70-75 percent of voters were requesting VBM ballots; the Elections Division was getting many calls from the remaining 20-25 percent of voters wanting a mailed ballot; this encouraged the division to go to full VAH to make the process easy and understandable for all voters.

REPRESENTATIVE WOOL stated that in Alaska, the ballots are all paper ballots and the voting machines count the ballots. He asked whether under a VBM system, fewer machines would be needed because the ballot would be counted as they are received.

MS. MCREYNOLDS concurred that less equipment would be needed. She mentioned that in Colorado the ballots are centrally counted and tallied; therefore, less equipment is needed. She acknowledged that Alaska may not see the same level of savings as Colorado because Colorado was using many electronic machines.

SB 100-NAMING WILLARD E. DUNHAM RESIDENCE HALL

[5:17:56 PM](#)

CO-CHAIR KREISS-TOMKINS announced that the next order of business would be SENATE BILL NO. 100, "An Act naming the Willard E. Dunham Residence Hall."

[5:18:22 PM](#)

EDRA MORLEDGE, Staff, Senator Peter Micciche, on behalf of Senator Micciche, prime sponsor of SB 100, relayed that the proposed legislation would rename the Alaska Vocational Technical Center dormitory to be the Willard E. Dunham Residence Hall. She paraphrased from the sponsor statement, which read:

Senate Bill 100 names the Alaska Vocational Technical Center (AVTEC) dormitory located at 516 Third Avenue in Seward, Alaska as the "Willard E. Dunham Residential Hall".

The naming of the dormitory honors Willard Eugene Dunham who recently passed away on March 1, 2019. After Willard's years of service to the state of Alaska and specifically his advocacy for the AVTEC Facility in Seward, it is appropriate that the vocational training residence hall be named for this icon of pioneering Alaskans who has forever left his mark on this great state.

This bill honors the work and memory of the much beloved and respected community member of Seward, who was a champion of the community and was instrumental in working to diversify the economy of the town after the 1964 earthquake destroyed much of Seward.

Willard Dunham worked for the Alaska Department of Labor when AVTEC was founded in 1969. His passionate advocacy of Seward convinced the committee founding AVTEC to be established on the Kenai Peninsula. As a direct result, the decision was made to establish the state-supported vocational training center, the Alaska Skills Center, in Seward where he served as the founding director from 1969 to 2019.

Aside from his work with AVTEC, Dunham served time in the US Army as a medic stationed at the Eielson Air Force Base, worked with the Department of Labor and Workforce Development, and served the City of Seward to help to create an impressive record of community service and employment projects. Some of these

projects included the Spring Creek Correctional Center and the Seward Library and Museum. He was a founding member of the Alaska SeaLife Center's Board of Directors, was elected to serve six years on the Seward City Council, and spent two years as Seward's mayor. Willard also spent time as the president of the Seward General Hospital board, served as the Chamber of Commerce President twice, served on Fish & Game Advisory groups and longshore union boards, and sat on nearly every city task force, commission, and committee over a 60-year period.

Renaming the Third Avenue AVTEC dormitory the Willard E. Dunham Residence Hall will stand as a reminder of the inspirational dedication and the vision Willard demonstrated for Seward, and an acknowledgement of Dunham's achievements, honorable works, and service to Alaska for over half of a century.

REPRESENTATIVE STORY asked about the community's response to SB 100 and renaming the residence hall.

MS. MORLEDGE referred to three letters of support, [included in the committee packet], from: Jacob Collins, President of the Rotary Club of Seward; Shawn A. Aspelund, who served with Mr. Dunham on the AVTEC Statewide Advisory Board; and John V. Crews, AVTEC Statewide Advisory Board Chair.

[5:21:17 PM](#)

CO-CHAIR FIELDS moved to report SB 100 out of committee with individual recommendations and the accompanying zero fiscal note. There being no objection, SB 100 was reported from the House State Affairs Standing Committee.

HB 132-PERM. FUND:DEPOSITS;DIVIDEND;EARNINGS

[5:21:35 PM](#)

CO-CHAIR KREISS-TOMKINS announced that the final order of business would be HOUSE BILL NO. 132, "An Act relating to the Alaska permanent fund; relating to the earnings reserve account; relating to the permanent fund dividend; relating to deposits into the permanent fund; relating to appropriations to the dividend fund and general fund; and providing for an effective date."

[5:21:53 PM](#)

CO-CHAIR FIELDS moved to adopt Amendment 1, [labeled 31-LS0799\U.1, Nauman, 5/13/19], which read:

Page 5, line 21:
Delete "33"
Insert "40"

CO-CHAIR KREISS-TOMKINS objected for the purpose of discussion.

CO-CHAIR FIELDS explained that Amendment 1 would change the percentage used to calculate the permanent fund dividend (PFD) from 33 percent to 40 percent. This would ensure that the PFD provided under HB 132 would be about \$1,400; he maintained that this amount would be "imminently reasonable and defensible" and comparatively substantial.

[5:22:36 PM](#)

REPRESENTATIVE WOOL commented that he supports the amendment. He stated that based on 2018 revenues, 33 percent would yield a \$1,142 PFD; 40 percent would yield a \$1,384 PFD. He added that based on 2019 revenues, [40 percent] would yield a \$1,435 PFD.

CO-CHAIR KREISS-TOMKINS removed his objection. There being no further objection, it was so ordered.

REPRESENTATIVE WOOL maintained that a PFD formula is needed, which was his motivation for introducing HB 132. He gave an analogy: A group of investors own a restaurant. At the end of the year, they each get a percentage of the profit based on the performance of the restaurant. If the restaurant has a good year, the investors get more money. If the restaurant loses money, the investors get less or no money. He maintained that no one would suggest that the investors get a percentage of profit based on the value of the building. Real estate values may be escalating every year, but the percentage of profit that the investors get as stakeholders in the restaurant would be based on the performance of the restaurant. Some day the investors may sell the building; but in this analogy, the building is the permanent fund, and Alaska would not sell it. He reiterated that the dividend should be based on the performance of oil and other mineral resources.

CO-CHAIR KREISS-TOMKINS expressed that he has some reservations, but the conversation about the PFD formula is important.

REPRESENTATIVE HOPKINS stated that many constituents mention "running the state like a business" and finding efficiencies; when a business does well, it pays dividends based on its profitability. He recalled in 2008, Governor Sarah Palin approved an energy rebate in addition to that year's PFD. Even though the state's economy was healthy, Alaskans felt the negative impacts of higher heating fuel costs. He maintained that HB 132 would alleviate the adverse consequences of this inverse relationship. He encouraged further dialogue about the percentage to be appropriated for the dividend, but maintained that linking that percentage to oil revenues more accurately gives Alaskans their share of the resource wealth and does more to help assist with the cost of living than does linking the PFD amount to the performance of "Wall Street." He reminded the committee that in the late 2000s, when the price of oil was increasing, the stock market was crashing, and the PFDs were smaller; under HB 132, the dividends would reflect the oil revenues.

[5:29:41 PM](#)

CO-CHAIR FIELDS moved to report HB 132, as amended, out of committee with individual recommendations and the accompanying fiscal note. There being no objection, CSHB 132(STA) was reported from the House State Affairs Standing Committee.

[5:30:13 PM](#)

ADJOURNMENT

There being no further business before the committee, the House State Affairs Standing Committee meeting was adjourned at 5:30 p.m.