

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

March 21, 2020

3:15 p.m.

**MEMBERS PRESENT**

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

**MEMBERS ABSENT**

Representative Steve Thompson

**COMMITTEE CALENDAR**

HOUSE BILL NO. 190

"An Act relating to allowable absences for a permanent fund dividend; and providing for an effective date."

- MOVED CSHB 190 (STA) OUT OF COMMITTEE

**PREVIOUS COMMITTEE ACTION**

BILL: HB 190

SHORT TITLE: PFD ALLOWABLE ABSENCES

SPONSOR(S): REPRESENTATIVE(S) TALERICO

01/21/20	(H)	PREFILE RELEASED 1/10/20
01/21/20	(H)	READ THE FIRST TIME - REFERRALS
01/21/20	(H)	STA, FIN
02/25/20	(H)	STA AT 3:00 PM GRUENBERG 120
02/25/20	(H)	Heard & Held
02/25/20	(H)	MINUTE (STA)
03/12/20	(H)	STA AT 3:00 PM GRUENBERG 120
03/12/20	(H)	<Bill Hearing Canceled>
03/17/20	(H)	STA AT 3:00 PM GRUENBERG 120
03/17/20	(H)	-- MEETING CANCELED --
03/20/20	(H)	STA AT 2:00 PM GRUENBERG 120
03/20/20	(H)	Heard & Held
03/20/20	(H)	MINUTE (STA)
03/21/20	(H)	STA AT 3:30 PM GRUENBERG 120

## WITNESS REGISTER

GREG SMITH, Staff  
Representative Andi Story  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Answered questions during the hearing on HB 190.

EMILY NAUMAN, Deputy Director  
Legislative Legal Services  
Juneau, Alaska

**POSITION STATEMENT:** Answered questions during the hearing on HB 190.

ANNE WESKE, Director  
Permanent Fund Dividend (PFD) Division  
Department of Revenue (DOR)  
Juneau, Alaska

**POSITION STATEMENT:** Answered questions during the hearing on HB 190.

## ACTION NARRATIVE

[3:15:43 PM](#)

**CO-CHAIR JONATHAN KREISS-TOMKINS** called the House State Affairs Standing Committee back to order at 3:15 p.m. Present at the call back to order were Representatives Vance, Shaw, Hopkins, Story, Fields, and Kreiss-Tomkins.

### HB 190-PFD ALLOWABLE ABSENCES

[3:15:55 PM](#)

**CO-CHAIR KREISS-TOMKINS** announced that the only order of business would be HOUSE BILL NO. 190, "An Act relating to allowable absences for a permanent fund dividend; and providing for an effective date."

[Before the committee, adopted as a work draft on 3/20/20, was the committee substitute (CS) for HB 190, Version 31-LS1273\S, Nauman, 3/19/20.]

[3:16:29 PM](#)

REPRESENTATIVE STORY moved to adopt Amendment 1, [labeled 31-LS1273\S.1, Nauman, 3/20/20], which read:

Page 3, line 18:

Delete "(16) - (18)"

Insert "(16) - (19)"

Page 3, line 28, following "(18)":

Insert "serving in the National Oceanic and Atmospheric Administration Commissioned Officer Corps or the United States Public Health Service Commissioned Corps;

(19)"

Page 4, line 1, following "(i)":

Insert "paragraph"

Page 4, line 2:

Delete "(7) - (17)"

Insert "(7) - (18)"

Page 4, line 4, following "(ii)":

Insert "paragraph"

Page 4, line 8:

Delete "(14) - (17)"

Insert "(14) - (18)"

Page 4, line 13:

Delete "(4) - (17)"

Insert "(4) - (18)"

Page 4, line 14, following "or;":

Insert a new sub-subparagraph to read:

"(iv) paragraph (18) of this subsection if the individual is not claiming an absence under (1) - (17) of this subsection; or"

Page 4, line 16:

Delete "(1) - (17)"

Insert "(1) - (18)"

Page 4, line 17:

Delete "(7) - (17)"

Insert "(7) - (18)"

CO-CHAIR KREISS-TOMKINS objected for discussion purposes.

REPRESENTATIVE STORY stated that Amendment 1 would allow absences for purposes of permanent fund dividend (PFD) eligibility for those serving in the National Oceanic and Atmospheric Administration Commissioned Officer Corps (NOAA Corps) and the U.S. Public Health Service Commissioned Corps (USPHSCC). The State of Alaska currently allows absences for purposes of PFD eligibility for many people who serve the nation in the uniformed services. The uniformed services of the U.S. consist of the U.S. Army, the U.S. Navy, the U.S. Air Force, the U.S. Marine Corps, the U.S. Coast Guard, the U.S. Space Force, the NOAA Corps, and the USPHSCC. Members of the uniformed services are all treated similarly in pay, benefits, and rank, are eligible for U.S. Department of Veterans Affairs (VA) benefits, can be members of the Military Officers Association of America (MOAA), and can enroll in higher learning institutions using the GI Bill; however, members of the NOAA Corps and the USPHSCC are not treated the same as the others for purposes of PFD eligibility. She relayed the experience of a constituent in the NOAA Corps who was denied a PFD because of time served out of state on a NOAA vessel; upon appeal, the constituent learned that statute only allows absences for members of the U.S. Armed Forces. Representative Story explained that Amendment 1 would change the statute to allow members of the NOAA Corps or the USPHSCC to be eligible for the PFD if their absences were due to their service.

CO-CHAIR KREISS-TOMKINS asked how many additional individuals would qualify for the PFD under Amendment 1.

REPRESENTATIVE STORY did not have exact numbers but relayed that the Director of the PFD Division [Department of Revenue (DOR)], Anne Weske, believed it to be just a few.

CO-CHAIR KREISS-TOMKINS asked for an example of someone being out of state due to service in the USPHSCC.

REPRESENTATIVE STORY suggested the example of someone responding to a public health crisis.

REPRESENTATIVE SHAW stated that the USPHSCC is like the U.S. military in that they may be transferred to another duty station or to a place in need of their services.

REPRESENTATIVE STORY mentioned that the members of the USPHSCC are ranked and saluted like members of the U.S. Armed Forces.

CO-CHAIR KREISS-TOMKINS stated that the sponsor of HB 190 [Representative Talerico] indicated that he does not oppose Amendment 1.

REPRESENTATIVE HOPKINS asked what the duties were of the USPHSCC.

[3:22:17 PM](#)

GREG SMITH, Staff, Representative Andi Story, Alaska State Legislature, responded that the mission of the USPHS is to deliver public health and disease prevention expertise at home and abroad, as well as to disaster areas and areas affected by military operations; its top officer is the U.S. Surgeon General.

CO-CHAIR KREISS-TOMKINS mentioned that his mother is in the USPHSCC; it consists of doctors and health care professionals.

CO-CHAIR FIELDS confirmed that the USPHSCC works closely with the Alaska Native Tribal Health Consortium (ANTHC) in Anchorage.

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

[3:23:56 PM](#)

REPRESENTATIVE STORY moved Amendment 2 [labeled 31-LS1273\S.2, Nauman, 3/19/20], which read:

Page 3, line 3:

Delete "parent, spouse, sibling, child, or stepchild"

Insert "person [PARENT, SPOUSE, SIBLING, CHILD, OR STEPCHILD]"

CO-CHAIR KREISS-TOMKINS objected.

REPRESENTATIVE STORY stated that under Amendment 2, the words "parent, spouse, sibling, child, or stepchild" would be deleted and the word "person" would be inserted [on page 3, line 3, of Version S] before "with a critical life-threatening illness whose treatment plan, as recommended by the attending physician, requires travel outside the state for treatment at a medical specialty complex". She maintained that she has heard from many constituents who have traveled out of state to care for a grandparent, a grandchild, a dear friend, a fiancé, or a

significant other, and because they did not meet the strict family relationship required in statute, they were denied their PFDs. She added that many grandparents are raising grandchildren and many people are in serious relationships when someone they love is struck down by a life-threatening illness; the amendment would provide the caregivers allowable absences for purposes of PFD eligibility.

CO-CHAIR FIELDS expressed concerns about the broadness of the word "person" and the possibility that it would include people in a caregiver industry with the relationship being commercial. He suggested using the word "relative" rather than "person."

REPRESENTATIVE STORY offered that the word "relative" is limiting in that a significant other or fiancé would not qualify. She relayed that Legislative Legal Services offered the word "person." She said that what is key to note is that the language requires "as recommended by the attending physician"; therefore, a physician's recommendation would be required.

CO-CHAIR FIELDS expressed that he supports the intent; however, his concern is that it might be misused; given the size of the personal care attendant industry and the nature of Medicaid operations, there exists opportunities for abuse.

CO-CHAIR KREISS-TOMKINS asked whether there is a definition in law for a relative that is more inclusive than "parent, spouse, sibling, child, or stepchild" but not as inclusive as "person."

[3:28:14 PM](#)

EMILY NAUMAN, Deputy Director, Legislative Legal Services, mentioned that one possible alternative would be "domestic partner," which is defined elsewhere in statute and broader - as someone cohabiting. She offered that "relative" is defined in statute, but the definition does not address the issues that Representative Story has brought forth.

CO-CHAIR FIELDS moved to adopt Conceptual Amendment 1 to Amendment 2, deleting "person", retaining "parent, spouse, sibling, child, or stepchild", and adding "domestic partner, fiancé, and grandparent."

CO-CHAIR KREISS-TOMKINS objected for discussion purposes.

REPRESENTATIVE STORY asked for a definition of "domestic partner."

MS. NAUMAN stated that "domestic partner" is defined in two places in statute but not for the purposes of the PFD statutes. She cited AS 24.60.990(5) and AS 39.50.200(4), both which read, "'domestic partner' means a person who is cohabiting with another person in a relationship that is like a marriage but that is not a legal marriage". She suggested adding grandchild, as well as grandparent.

[3:32:06 PM](#)

REPRESENTATIVE STORY offered that it was the number of additional categories which prompted use of the term "person." She mentioned that one heart-wrenching scenario involved a constituent who was caregiver to a boyfriend, with whom she had not been living; she would not have qualified for a PFD under the domestic partner definition.

CO-CHAIR FIELDS stated that he could not support language specifying "person" but would support a longer list of possible caregivers.

CO-CHAIR FIELDS withdrew Conceptual Amendment 1 to Amendment 2.

REPRESENTATIVE HOPKINS expressed his belief that "person" is too broad and indicated that he would not support Amendment 2.

CO-CHAIR KREISS-TOMKINS concurred.

REPRESENTATIVE VANCE expressed that "person" is broad and indicated that she does not support expanding the eligibility for PFDs.

REPRESENTATIVE SHAW concurred with the "no" vote on Amendment 2.

[3:36:39 PM](#)

REPRESENTATIVE STORY withdrew Amendment 2.

CO-CHAIR FIELDS recognized the committee's difficulty in modifying the list of out-of-state caregivers eligible for PFDs, given the different definitions in different places in statute. He suggested additional research with Legislative Legal Services and possible amendments in future committees of referral.

REPRESENTATIVE STORY commented that Amendment 2 reflects real cases of dedicated people and expressed her disappointment.

[3:38:35 PM](#)

REPRESENTATIVE VANCE moved to adopt Amendment 3, [labeled 31-LS1273\S.3, Nauman, 3/20/20], which read:

Page 3, line 18:  
Delete "(16) - (18)"  
Insert "(16) - (19)"

Page 3, line 28, following "(18)":  
Insert "because the individual was prohibited from traveling back to the state by state or federal order in response to a disaster;  
(19)"

Page 4, line 2:  
Delete "(7) - (17)"  
Insert "(7) - (18)"

Page 4, line 8:  
Delete "(14) - (17)"  
Insert "(14) - (18)"

Page 4, line 13:  
Delete "(4) - (17)"  
Insert "(4) - (18)"

Page 4, line 16:  
Delete "(1) - (17)"  
Insert "(1) - (18)"

Page 4, line 17:  
Delete "(7) - (17)"  
Insert "(7) - (18)"

CO-CHAIR KREISS-TOMKINS objected for discussion purposes.

REPRESENTATIVE VANCE offered that Amendment 3 would add an allowable absence, under Section 3 of Version S, [page 3, line 18], to address the scenario of an individual being prohibited from traveling back to the state by state or federal order in response to a disaster. She explained that the unforeseen circumstance of COVID-19 [a novel coronavirus disease] has brought to her attention the possibility of future mandates

preventing Alaskans from returning to the state through closed borders or airlines not flying. She maintained that the proposed amendment would allow the PFD Division to make exemptions in the event of a federal or state order.

[3:40:20 PM](#)

ANNE WESKE, Director, Permanent Fund Dividend (PFD) Division, Department of Revenue (DOR), offered that the [the terrorist attacks of September 11, 2001] presented the only other time in history in which travel to Alaska was inhibited; it was due to airplanes not flying; and the PFD Division did not waive any rules at that time. She added that it might be useful to make the proposed legislation retroactive to January 1, 2020.

[3:41:53 PM](#)

REPRESENTATIVE HOPKINS moved to adopt a conceptual amendment to Amendment 3, making the provision retroactive to January 1, 2020.

CO-CHAIR KREISS-TOMKINS objected for discussion purposes.

[3:42:30 PM](#)

The committee took a brief at-ease.

[3:42:51 PM](#)

REPRESENTATIVE HOPKINS withdrew his amendment to Amendment 3.

CO-CHAIR FIELDS asked Ms. Weske whether the word "disaster" was clearly defined.

MS. WESKE answered that there needs to be more clarification on who declares the disaster so that it is considered official. She opined that it would most likely be a disaster declared by the President of U.S. and could possibly involve an event outside of Alaska preventing a person from returning to Alaska.

[3:44:19 PM](#)

The committee took a brief at-ease.

MS. NAUMAN offered language for Amendment 3, page 1, line 7, inserting the word "issued" so that it reads, "order issued in response to".

3:45:25 PM

CO-CHAIR KREISS-TOMKINS moved Amendment 1 to Amendment 3 to insert the word "issued" after the word "order" on page 1, line 7, of Amendment 3. There being no objection, it was so ordered.

REPRESENTATIVE VANCE offered to work with the next committee of referral to add the "retroactive" language and any other changes as needed.

CO-CHAIR KREISS-TOMKINS withdrew his objection to Amendment 3. There being no further objection, Amendment 3, as amended, was adopted.

3:47:06 PM

REPRESENTATIVE VANCE moved to adopt Amendment 4, [labeled 31-LS1273\S.4, Nauman, 3/20/20], which read:

Page 1, line 1, following "**dividend**":

Insert "**; and providing for an effective date**"

Page 4, line 29:

Delete "Sections 1 - 4"

Insert "(a) Sections 1 - 3"

Page 4, following line 30:

Insert new material to read:

"(b) Section 4 of this Act applies to qualification for a permanent fund dividend paid in 2025 and thereafter.

**\* Sec. 6.** Section 4 of this Act takes effect January 1, 2024."

CO-CHAIR KREISS-TOMKINS objected for discussion purposes.

REPRESENTATIVE VANCE stated that Amendment 4 would change Section 4 of Version S to be applicable to PFDs paid in 2025 and later; and it would change the effective date of Section 4 to January 1, 2024. She explained that the amendment was drafted to address concerns [discussed during the 3/20/20 HSTA committee meeting] regarding individuals, who receiving dividends under the 180-day absence allowance, suddenly becoming ineligible due to the adoption of a 120-day absence allowance. Under Amendment 4, there would be a four-year period in which the PFD applicant would be required to follow the 120-day rule going forward but

not denied a PFD due to following the 180-day rule in the previous four years.

MS. WESKE commented that Amendment 4 would address the concerns brought forward in the 3/20/20 committee meeting and she supports the amendment.

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

[3:49:50 PM](#)

CO-CHAIR KREISS-TOMKINS opened public testimony on HB 190. After ascertaining that there was no one who wished to testify, he closed public testimony.

[3:50:11 PM](#)

CO-CHAIR FIELDS moved to report HB 190, Version 31-LS1273\S, Nauman, 3/19/20, as amended, out of committee with individual recommendations and the accompanying zero fiscal note. There being no objection, CSHB 190(STA) was reported from the House State Affairs Standing Committee.

[3:50:37 PM](#)

#### **ADJOURNMENT**

There being no further business before the committee, the House State Affairs Standing Committee meeting was adjourned at 3:50 p.m.