

**ALASKA STATE LEGISLATURE
SENATE JUDICIARY STANDING COMMITTEE**

March 27, 2019

6:03 p.m.

MEMBERS PRESENT

Senator Shelley Hughes, Chair
Senator Lora Reinbold, Vice Chair
Senator Mike Shower
Senator Peter Micciche
Senator Jesse Kiehl

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

SENATE BILL NO. 23

"An Act making special appropriations from the earnings reserve account for the payment of permanent fund dividends; and providing for an effective date."

- MOVED CSSB 23(STA) OUT OF COMMITTEE

SENATE BILL NO. 24

"An Act directing the Department of Revenue to pay dividends to certain eligible individuals; and providing for an effective date."

- MOVED CSSB 24(STA) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: SB 23

SHORT TITLE: APPROP:SUPP. PAYMENTS OF PRIOR YEARS' PFD

SPONSOR(s): RULES BY REQUEST OF THE GOVERNOR

01/16/19	(S)	READ THE FIRST TIME - REFERRALS
01/16/19	(S)	STA, FIN
02/05/19	(S)	STA AT 3:30 PM BUTROVICH 205
02/05/19	(S)	Heard & Held
02/05/19	(S)	MINUTE(STA)
02/26/19	(S)	STA AT 3:30 PM BUTROVICH 205

02/26/19 (S) Heard & Held
 02/26/19 (S) MINUTE(STA)
 02/28/19 (S) STA AT 3:30 PM BUTROVICH 205
 02/28/19 (S) Heard & Held
 02/28/19 (S) MINUTE(STA)
 03/05/19 (S) STA AT 3:30 PM BUTROVICH 205
 03/05/19 (S) Heard & Held
 03/05/19 (S) MINUTE(STA)
 03/07/19 (S) STA AT 3:30 PM BUTROVICH 205
 03/07/19 (S) Heard & Held
 03/07/19 (S) MINUTE(STA)
 03/12/19 (S) STA AT 3:30 PM BUTROVICH 205
 03/12/19 (S) Moved CSSB 23(STA) Out of Committee
 03/12/19 (S) MINUTE(STA)
 03/13/19 (S) STA RPT CS 1DP 1DNP 2NR 1AM SAME TITLE
 03/13/19 (S) DP: SHOWER
 03/13/19 (S) DNP: COGHILL
 03/13/19 (S) NR: REINBOLD, MICCICHE
 03/13/19 (S) AM: KAWASAKI
 03/13/19 (S) JUD REFERRAL ADDED AFTER STA
 03/14/19 (S) STA AT 3:30 PM BUTROVICH 205
 03/14/19 (S) <Bill Hearing Canceled>
 03/22/19 (S) JUD AT 1:30 PM BELTZ 105 (TSBldg)
 03/22/19 (S) Heard & Held
 03/22/19 (S) MINUTE(JUD)
 03/27/19 (S) JUD AT 6:00 PM FAHRENKAMP 203

BILL: SB 24

SHORT TITLE: PFD SUPPLEMENTAL PAYMENTS

SPONSOR(s): RULES BY REQUEST OF THE GOVERNOR

01/16/19 (S) READ THE FIRST TIME - REFERRALS
 01/16/19 (S) STA, FIN
 02/05/19 (S) STA AT 3:30 PM BUTROVICH 205
 02/05/19 (S) Heard & Held
 02/05/19 (S) MINUTE(STA)
 02/26/19 (S) STA AT 3:30 PM BUTROVICH 205
 02/26/19 (S) Heard & Held
 02/26/19 (S) MINUTE(STA)
 02/28/19 (S) STA AT 3:30 PM BUTROVICH 205
 02/28/19 (S) Heard & Held
 02/28/19 (S) MINUTE(STA)
 03/05/19 (S) STA AT 3:30 PM BUTROVICH 205
 03/05/19 (S) Heard & Held
 03/05/19 (S) MINUTE(STA)
 03/07/19 (S) STA AT 3:30 PM BUTROVICH 205
 03/07/19 (S) Heard & Held

03/07/19 (S) MINUTE (STA)
03/12/19 (S) STA AT 3:30 PM BUTROVICH 205
03/12/19 (S) Moved CSSB 24 (STA) Out of Committee
03/12/19 (S) MINUTE (STA)
03/13/19 (S) STA RPT CS 1DP 1DNP 2NR 1AM NEW TITLE
03/13/19 (S) DP: SHOWER
03/13/19 (S) DNP: COGHILL
03/13/19 (S) NR: REINBOLD, MICCICHE
03/13/19 (S) AM: KAWASAKI
03/13/19 (S) JUD REFERRAL ADDED AFTER STA
03/14/19 (S) STA AT 3:30 PM BUTROVICH 205
03/14/19 (S) <Bill Hearing Canceled>
03/22/19 (S) JUD AT 1:30 PM BELTZ 105 (TSBldg)
03/22/19 (S) Heard & Held
03/22/19 (S) MINUTE (JUD)
03/27/19 (S) JUD AT 6:00 PM FAHRENKAMP 203

WITNESS REGISTER

LYNDA SAVANT, representing herself
Wasilla, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

KRISTEN BUSH, representing herself
Eagle River, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

SHAWN DOCHTERMANN, representing himself
Kodiak, Alaska

POSITION STATEMENT: Testified in opposition to SB 23 and SB 24.

GREGORY BARTLETT, representing himself
Soldotna, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

TANYA KITKA, representing herself
Kodiak, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

DON BULLOCK, representing himself
Juneau, Alaska

POSITION STATEMENT: Expressed concern about constitutional issues raised by the residency requirements in SB 24.

JEFF KINNAN, representing himself
Sitka, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

CHARLES SIMON, representing himself
Hooper Bay, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

JENNIFER REAGAN, representing herself
Wasilla, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

LYNDA MYERS, representing herself
Anchorage, Alaska

POSITION STATEMENT: Testified favorably on SB 23 and SB 24.

KAREN PERRY, representing herself
Chugiak, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

CATHY HENDERSON, representing herself
Kenai, Alaska

POSITION STATEMENT: Testified in support of SB 23.

DAWN BARNARD, representing herself
Talkeetna, Alaska

POSITION STATEMENT: Testified in support of SB 23.

TAMARA SCHMIDT, representing herself
Talkeetna, Alaska

POSITION STATEMENT: Testified in support of SB 23.

LYNN WILLIS, representing himself
Eagle River, Alaska

POSITION STATEMENT: Expressed concern over the repayment costs, but supported SB 23 and SB 24 if the state can afford to do so.

DAVID OTNESS, representing himself
Cordova, Alaska

POSITION STATEMENT: Testified in support of SB 23.

MICHELLE HAHN, representing herself
Cordova, Alaska

POSITION STATEMENT: Testified in opposition to SB 23 and SB 24.

JEFF GUARD, representing himself
Cordova, Alaska

POSITION STATEMENT: Testified in opposition to SB 23 and SB 24.

MARIA BYFORD, representing herself

Wrangell, Alaska

POSITION STATEMENT: Testified in opposition to SB 23 and SB 24.

SUSAN STEVENS, Member

Wrangell Tlingit & Haida

Wrangell, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

PAT HOLMES, representing himself

Kodiak, Alaska

POSITION STATEMENT: Testified in opposition to SB 23 and SB 24.

LARRY BEACH, representing himself

Wasilla, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

JIM SWISHER, representing himself

Wasilla, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

SHERYL SMITH, representing herself

Wasilla, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

JACK JOHNSON, representing himself

North Pole, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

BARBARA SEYBOLB, representing herself

Eagle River, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

LARRY CHRISTENSEN, representing himself

Soldotna, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

FAYE SARREN, representing herself

Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

MICHAEL BECK, representing himself

Wasilla, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

GREGORY WHITE, representing himself

Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

SHEILA FAIGE, representing herself
Wasilla, Alaska
POSITION STATEMENT: Testified in support of SB 23 and SB 24.

OLIVIA SELLERS, representing herself
Wasilla, Alaska
POSITION STATEMENT: Testified in support of SB 23 and SB 24.

ELISPAPETA SHECK, representing himself
Anchorage, Alaska
POSITION STATEMENT: Testified in support of SB 23 and SB 24.

HERMAN MORGAN, representing himself
Aniak, Alaska
POSITION STATEMENT: Testified in support of SB 23 and SB 24.

VIKKI JO KENNEDY, representing herself
Kodiak, Alaska
POSITION STATEMENT: Testified in support of SB 23 and SB 24.

JEFF MAY, representing himself
Wasilla, Alaska
POSITION STATEMENT: Testified in support of SB 23 and SB 24.

SABRINA MARTINO, representing herself
Wasilla, Alaska
POSITION STATEMENT: Testified in support of SB 23 and SB 24.

LILA JENSEN, representing herself
Anchorage, Alaska
POSITION STATEMENT: Testified in support of SB 23 and SB 24.

FEDERICK TRIESELNANN, representing himself
Homer, Alaska
POSITION STATEMENT: Testified in opposition to SB 23 and SB 24.

LINN MCCABE, representing herself
Big Lake, Alaska
POSITION STATEMENT: Testified in support of SB 23 and SB 24.

ARMANDO HERNANDEZ, representing himself
Anchorage, Alaska
POSITION STATEMENT: Testified in support of SB 23 and SB 24.

LEIGH SLOAN, representing herself
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

JAKE SLOAN, representing himself
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

ELIZABETH SWEET, representing herself
North Pole, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

MARK SWSLER, representing himself
Soldotna, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

DAVID DENZINE, representing himself
Kasilof, Alaska

POSITION STATEMENT: testified in support of SB 23 and SB 24.

WENDY MORALES, representing herself
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

ANDREW HAAG, representing himself
Talkeetna, Alaska

POSITION STATEMENT: Testified in support of SB 23 of SB 24.

SHARRY EICHENLAUB, representing herself
Eagle River, Alaska

POSITION STATEMENT: Testified in support of SB 23.

JAMES SQUYRES, representing himself
Rural Deltana, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

NORMAN CLARK, representing himself
Kotzebue, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

MIKE COONS, President
Greater Alaskan Chapter
Association of Mature Citizens (AMAC)
Palmer, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

PAMELA SAMASH, representing herself
Nenana, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

TIMOTHY MARTIN, representing himself
Sterling, Alaska
POSITION STATEMENT: Testified in support of SB 23 and SB 24.

VALERIE BECK, representing herself
Wasilla, Alaska
POSITION STATEMENT: Testified in support of SB 23 and SB 24.

SUSAN FLETCHER, representing herself
Big Lake, Alaska
POSITION STATEMENT: Testified in support of SB 23 and SB 24.

ADAM CARDWELL, representing himself
Willow, Alaska
POSITION STATEMENT: Testified in support of SB 23 and SB 24.

SUSAN CARLSON, representing herself
Willow, Alaska
POSITION STATEMENT: Testified in support of SB 23 and SB 24.

DEBRA JOHNSTON, representing herself
Anchorage, Alaska
POSITION STATEMENT: Testified in support of SB 23 and SB 24.

KEN BROWN, representing himself
Soldotna, Alaska
POSITION STATEMENT: Testified in support of SB 23 and SB 24.

DAVID STAMPER, representing himself
Wasilla, Alaska
POSITION STATEMENT: Testified in support of SB 23 and SB 24.

CHRISTINE HUTCHINSON, representing herself
Kenai, Alaska
POSITION STATEMENT: Testified in support of SB 23 and SB 24.

ROSE GEISERT, representing herself
Wasilla, Alaska
POSITION STATEMENT: Testified in support of SB 23 and SB 24.

AARON BENJAMIN, representing himself
Talkeetna, Alaska
POSITION STATEMENT: Testified in support of SB 23 and SB 24.

DIXIE BANNER, representing herself
Wasilla, Alaska

POSITION STATEMENT: Testified in support of SB 23 of SB 24.

MARY CONSTANTINE, representing herself
Fairbanks, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

GEORGE PAUL, representing himself
Wasilla, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

HOLLIE BENSON, representing herself
Fairbanks, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

PATRICK MARTIN, representing himself
Wasilla, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

SALLY JOHNSON, representing herself
Palmer, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

RYNN BURTON, representing herself
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

RONALD VAIDAUS, representing himself
Kasilof, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

MELODY MCCULLOUGH, representing herself
Wasilla, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

MIKE WHITNEY, representing himself
Big Lake, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

LORENZO DELEON, representing himself
Valdez, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

DEBORAH HOLLAND, representing herself
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

KRISTA BURTON, representing herself

Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

EDWARD ZINGONE, representing himself

Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 23 and SB 24.

ACTION NARRATIVE

[6:03:08 PM](#)

CHAIR SHELLEY HUGHES called the Senate Judiciary Standing Committee meeting to order at 6:03 p.m. Present at the call to order were Senators Kiehl, Micciche and Chair Hughes. Senators Reinbold and Shower arrived shortly thereafter.

SB 23-APPROP:SUPP. PAYMENTS OF PRIOR YEARS' PFD **SB 24-PFD SUPPLEMENTAL PAYMENTS**

[6:03:40 PM](#)

CHAIR HUGHES announced that the only order of business would be SENATE BILL NO. 23, "An Act making special appropriations from the earnings reserve account for the payment of permanent fund dividends; and providing for an effective date." and

[Before the committee was the CSSB 23(STA).]

SENATE BILL NO. 24, "An Act directing the Department of Revenue to pay dividends to certain eligible individuals; and providing for an effective date."

[Before the committee was CSSB 24(STA).]

[6:03:51 PM](#)

CHAIR HUGHES made opening remarks and provided the address for testifiers to submit written public testimony at atsenate.judiciary@akleg.gov.

[6:06:16 PM](#)

CHAIR HUGHES opened public testimony on SB 23 and SB 24.

[6:06:44 PM](#)

LYNDA SAVANT, representing herself, Wasilla, spoke in support of SB 23 and SB 24 because as a single mom she relies on the permanent fund dividend. In response to Chair Hughes she said she supported both SB 23 and SB 24.

[6:07:41 PM](#)

KRISTEN BUSH, representing herself, Eagle River, spoke in support of SB 23 and SB 24. She offered her belief that what the state has done with the permanent fund dividend is taxation without representation. She said that children do not have a voice. The permanent fund dividend program is not an entitlement program but was related to citizens' mineral rights. She said it was wrong in the first place [to reduce the PFDs] and she will fight for all of Alaska.

[6:08:56 PM](#)

SHAWN DOCHTERMANN, representing himself, Kodiak, spoke in opposition to SB 23 and SB 24. He said that as a 40-year resident and fisherman in Kodiak he was adamantly opposed to SB 23 and SB 24. The PFD is an entitlement because people expect the permanent fund dividend, he said. He said that Alaska has problems funding state government, yet the governor wanted to give back money from three years ago. He expressed a willingness to give up the PFD for essential state services.

[6:10:16 PM](#)

GREGORY BARTLETT, representing himself, Soldotna, offered his support for both bills.

[6:10:51 PM](#)

TANYA KITKA, representing herself, Kodiak, spoke in support of SB 23 and SB 24. She urged members to support the historical formula for calculating the permanent fund dividend. She said that it only recently became an appropriation item on the state's budget. She found it appalling that the legislature allowed Governor Walker to single-handedly make the change. She found it appalling that legislators were waffling on the issue.

[6:12:08 PM](#)

DON BULLOCK, representing himself, Juneau, stated his concern about the constitutional issue raised by the residency requirements in SB 24. He stated that the legislature has dueling memos between the Legislative Legal Services and the Department of Law. He found the memo by Emily Nauman to be more convincing. He expressed concern that the bill requires a two-year residency to qualify for the repayment, but said he was not aware of any other program that would require two years of residency. Under the bill, the first year of residency would be based on the eligibility requirements in 2016, 2017, and 2018. The additional requirement would be the residency requirements in 2019-21. He pointed out that alternatives suggested by Ms.

Nauman should be considered, such as making the payment based on the original qualification or the residency in 2019-21, but not both qualifying periods.

[6:13:41 PM](#)

CHAIR HUGHES asked whether he supports the bill.

MR. BULLOCK answered that he has no opinion.

[6:14:00 PM](#)

JEFF KINNAN, representing himself, Sitka, spoke in support of SB 23 and SB 24. He said that tampering with the permanent fund dividend would be a disaster for [legislators seeking re-election]. He is 100 percent disabled and the permanent fund dividend allows him discretionary income to travel and buy gifts.

[6:15:17 PM](#)

CHARLES SIMON, representing himself, Hooper Bay, spoke in support of SB 23 and SB 24. He supports the repayment of the PFD.

[6:15:58 PM](#)}

JENNIFER REAGAN, representing herself, Wasilla, spoke in support of SB 23 and SB 24. She said this is a right provided by the Constitution of the State of Alaska.

[6:16:51 PM](#)

LYNDA MYERS, representing herself, Anchorage, said that she resided in Alaska for the period 1969-2018. She said that the government should not have taken it away from Alaskans in the first place. She recalled that a portion was initially set aside for government spending and a portion for the people. She said that the legislature has gone overboard with spending. It needs to go back to the people. She said the previous governor stole the money.

[6:19:09 PM](#)

At-ease.

[6:20:33 PM](#)

CHAIR HUGHES reconvened the meeting.

[6:20:55 PM](#)

KAREN PERRY, representing herself, Chugiak, spoke in support of SB 23 and SB 24. She supported a full statutory permanent fund dividend. She expressed concern over government spending and

quoted from an article to support her concern. The permanent fund dividend belongs to the people of Alaska. She supported cutting government spending and returning the PFDs that were stolen from Alaskans. She supported the historical statutory PFD. No one can get away with breaking the law, including legislators, she said.

[6:23:03 PM](#)

CHAIR HUGHES commented that the public can submit written testimony to senate.judiciary@akleg.gov.

[6:23:33 PM](#)

CATHY HENDERSON, representing herself, Kenai, spoke in support of SB 23. She said that she and her mother are disabled seniors. The permanent fund dividend helps them throughout the year. The permanent fund needs to go back to the people.

[6:24:35 PM](#)

DAWN BARNARD, representing herself, Talkeetna, spoke in support of SB 23 and SB 24 to have the PFD paid back to Alaskans.

[6:25:08 PM](#)

TAMARA SCHMIDT, representing herself, Talkeetna, said she is a life-long Alaskan. The state needs to live within its means just as the people do, she said. She spoke in support of SB 23 and SB 24.

[6:25:46 PM](#)

LYNN WILLIS, representing himself, Eagle River, stated that this is going to cost \$1 billion. He suggested taking it from another source of revenue. He asked whether the legislature thinks it can afford to pay out \$1 billion. He suggested a needs-based dividend for the poor if needed. In response to Chair Hughes, he answered that he supports SB 23 and SB 24 if the state can afford it.

[6:27:03 PM](#)

DAVID OTNESS, representing himself, Cordova, spoke in support of SB 23, but now is not the time for it. He said that the state is being pressured to make rash decisions without understanding the long-term consequences. He worked hard to help establish the permanent fund in the 70s. It should be sustained for the future. He said he would love to see a state bank or other means to sustain the fund.

[6:29:08 PM](#)

MICHELLE HAHN, representing herself, Cordova, said she is a 46-year resident. She spoke against SB 23 and SB 24 because it would devastate the economy. She once supported the full statutory permanent fund dividend, but it was during the time when the state had \$14 billion in the state's savings account. Governor Dunleavy made promises without consequences. She recalled promises that were made about maintaining services.

[6:30:27 PM](#)

JEFF GUARD, representing himself, Cordova, spoke against SB 23 and SB 24 because it will destroy the state's economy and property values will be diminished. He said that there would not be anyone to manage the fisheries. He said that there are costs for government to supply services the public needs and help maintain a vibrant economy. He said he expects the Senate to ensure that state projects are funded.

[6:31:58 PM](#)

MARIA BYFORD, representing herself, Wrangell, spoke in opposition to SB 23 and SB 24. She did not support the governor's proposal to repay the PFDs for the last three years. The money would be better spent to provide pre-K-12 education, the university system, and work for future programs. She further thought it was important to keep transportation and communication alive via the public radio and ferry system. She also supported funding for Medicaid expansion to keep people healthy and to provide treatment for opioid addiction. Finally, she stressed the importance of maintaining the permanent fund for the future.

[6:33:12 PM](#)

SUSAN STEVENS, Member, Wrangell Tlingit & Haida, Wrangell, spoke in support of SB 23 and SB 24 because it provides cash for the village economies since the PFD provides a bigger percentage of income to Native people. They lag behind every social need in the communities and this money would really help. She said the land was Native land initially.

[6:34:33 PM](#)

PAT HOLMES, representing himself, Kodiak, spoke in opposition to SB 23 and SB 24. He said that it comes down to "Me first now or we for the long run." He said that he would say no to both. He and his wife consulted on their taxes and a \$3,000 PFD would put them into a different tax bracket. He said that low income residents are also pushed up. He said that people should think about it before they push for "me first." It's a payoff for votes, he said.

[6:35:47 PM](#)

LARRY BEACH, representing himself, Wasilla, spoke in support of SB 23 and SB 24.

[6:36:20 PM](#)

JIM SWISHER, representing himself, Wasilla, spoke in support of SB 23 and SB 24. He lived in rural Alaska for 17 years, so he understands the importance of the permanent fund dividend to rural Alaskans.

[6:37:29 PM](#)

SHERYL SMITH, representing herself, Wasilla, spoke in support of SB 23 and SB 24. She acknowledged that the courts need to be funded but at the same time some people in the Mat-Su Valley rely on the PFD for energy costs, including fuel to run the generator for people who live off the grid.

[6:38:40 PM](#)

JACK JOHNSON, representing himself, North Pole, spoke in support of SB 23 and SB 24. He asked members whether the permanent fund was used to fund government four or five years ago. He believed not. Therefore, there should not be a question about using the funds now. He would like people to have more access to testify. He noted that he was on hold for 49 minutes.

[6:40:35 PM](#)

BARBARA SEYBOLB, representing herself, Eagle River, spoke in support of restoring the permanent fund dividend. She said that the government was taking it away without any input. She preferred a partnership relationship instead of the government telling people what they will do. She supported having the permanent fund dividend stay the way it was set up and letting the public vote on changes. She said the legislature should follow the law and care about the people.

[6:41:41 PM](#)

LARRY CHRISTENSEN, representing himself, Soldotna, spoke in support of SB 23 and SB 24. He said he has lived in Alaska since 1991. He has observed the government taking over. The state should not have taken away the permanent fund dividend without giving the people an opportunity to vote. He said he must pay for things that the dividend previously covered.

[6:42:56 PM](#)

FAYE SARREN, representing herself, Anchorage, spoke in support of SB 23 and SB 24. She said that legislators spend the money

unwisely, which makes people angry. Now they have taken the dividend away and it makes people even angrier. She would like the legislature to repay the permanent fund dividends.

[6:44:28 PM](#)

MICHAEL BECK, representing himself, Wasilla, spoke in support of SB 23. The permanent fund dividend needs to be given back to the people. There are lots of elderly and disabled people who need it and the money goes into the economy and helps keep costs down. The government needs to live within its means.

[6:45:09 PM](#)

GREGORY WHITE, representing himself, Anchorage, spoke in support of SB 23 and SB 24. He said he does not support government using the permanent fund to fund the budget. He emphasized the need to restore the full permanent fund dividend.

[6:46:28 PM](#)

SHEILA FAIGE, representing herself, Wasilla, spoke in support of SB 23 and SB 24. She said that her husband lost his job in 2016, just as Governor Walker decided to take their money, [the permanent fund dividend]. She had to file for bankruptcy. She needs the PFD to cover expenses, she said.

[6:47:25 PM](#)

OLIVIA SELLERS, representing herself, Wasilla, spoke in support of SB 23 and SB 24. She has lived in Alaska for over 20 years. When the permanent fund was created it was not intended to be used for the budget. She expressed concern for those who rely on the permanent fund dividend, such as seniors who are on fixed income and need food and fuel, and for young families and single families who rely on the permanent fund dividend to boost their income. She would like government to balance the budget just as citizens must.

[6:48:38 PM](#)

ELISPAPETA SHECK, representing himself, Anchorage, spoke in support of SB 23 and SB 24. He said he thinks that government is too big. He said that the legislature should follow the constitution.

[6:51:23 PM](#)

HERMAN MORGAN, representing himself, Aniak, spoke in support of SB 23 and SB 24. He said that the money was taken from people, which for a family of five would have been \$75,000 in the three years. This money would be spent on snow machines and to pay for

medical bills. He expressed concern that the state will go bankrupt.

[6:53:07 PM](#)

VIKKI JO KENNEDY, representing herself, Kodiak, spoke in support of SB 23 and SB 24 because the permanent fund dividend was illegally taken. She said she was out of state for those three years. She urged members to stop spending wildly.

[6:54:29 PM](#)

JEFF MAY, representing himself, Wasilla, spoke in support of SB 23 and SB 24. He said that he is a 25-year resident of Wasilla. He said the arguments presented tonight speak for themselves.

[6:55:04 PM](#)

SABRINA MARTINO, representing herself, Wasilla, spoke in support of SB 23 and SB 24. She said she supports the governor's efforts to make a sustainable budget, and that spending should be cut. She does not think the permanent fund dividend should have been taken in the first place. The government spending is increasing at a [disproportionate] rate to inflation and the population growth in Alaska.

[6:55:48 PM](#)

LILA JENSEN, representing herself, Anchorage, spoke in support of SB 23 because a lot of elders depend on the money. She said she is a lifelong Alaskan and mother of five. She said that her family relies on the permanent fund dividend to buy winter clothes. The permanent fund dividend is supposed to be permanent, she said. She expressed concern that her children will not be able to benefit from the program because the money will be gone.

[6:57:22 PM](#)

FEDERICK TRIESELNANN, representing himself, Homer, spoke in opposition to SB 23 and SB 24 because it is a ploy to garner votes and good will. He said that the payback timeline falls in line with the election. It would provide a means to buy votes while gutting state services, like the state ferry system and education, he said.

[6:58:28 PM](#)

LINN MCCABE, representing herself, Big Lake, spoke in support of SB 23 and SB 24. She said she supports using the original formula to calculate the permanent fund dividend and it should not be changed. The permanent fund dividend is the people's money and should not be used for funding government without a

vote by the people. She urged members to create a sustainable budget and not use the PFD to continue bloated spending. She said the legislature should not create any new taxes.

6:58:55 PM

SENATOR SHOWER joined the meeting.

6:59:51 PM

SENATOR MICCICHE said the sound quality is very poor. He asked testifiers to indicate whether they support or oppose the bills.

7:00:30 PM

ARMANDO HERNANDEZ, representing himself, Anchorage, spoke in support of SB 23 and SB 24. He said that the PFD belongs to the people and the state cannot steal it. He works in construction at the state office building. He expressed alarm at the high price of doors and other construction needs. The state needs to stop spending that amount of money. He said, "Give us our money back. Period."

7:01:21 PM

CHAIR HUGHES reminded testifiers they can submit written testimony to senate.judiciary@akleg.gov

7:01:49 PM

LEIGH SLOAN, representing herself, Anchorage, spoke in support of SB 23.

JAKE SLOAN, representing himself, Anchorage, spoke in support of SB 23 and SB 24. He said that the permanent fund dividend was attached without a vote of the people. He said, "That's a wrong that needs to be righted."

7:02:43 PM

ELIZABETH SWEET, representing herself, North Pole, spoke in support of SB 23 and SB 24 because she counts on that money to pay her bills.

7:03:14 PM

MARK SWSLER, representing himself, Soldotna, spoke in support of SB 23 and SB 24. He asked when the legislature will start cutting the government. He expressed concern that the legislature would continue to take more and more of the permanent fund dividend. He offered his belief that those testifying in opposition to the bills were educators or government workers. He favored privatizing the Alaska Marine Highway System.

[7:04:31 PM](#)

DAVID DENZINE, representing himself, Kasilof, spoke in support of SB 23 and SB 24. He said that government needs to live within its means. He said he would like stricter law enforcement. He thinks that the social services need to be cut. He said he is a retired Vietnam veteran. The schools need to be consolidated, he said. People should spend their money wisely instead of [relying on] the government.

[7:05:43 PM](#)

WENDY MORALES, representing herself, Anchorage, spoke in support of SB 23 and SB 24. She disagreed with how the permanent fund dividend was taken because the public should have voted on it. She said that the right thing to do is repay the permanent fund dividends. She has a family of five and she depends on the money to pay important bills.

[7:06:29 PM](#)

ANDREW HAAG, representing himself, Talkeetna, spoke in support of SB 23 and SB 24. He said he is a 20-year Alaskan. The permanent fund dividend was established in exchange for mineral rights. He said just as he has to reduce costs, government should balance the budget. He supported repaying the permanent fund dividends.

[7:07:42 PM](#)

SHARRY EICHENLAUB, representing herself, Eagle River, spoke in support of SB 23 and SB 24. She supported cutting the budget. She expressed concern that funding for education is too high in Alaska.

[7:09:21 PM](#)

JAMES SQUYRES, representing himself, Rural Deltana, spoke in support of SB 23 and SB 24. He said he is a certified public accountant by profession. He said that he supports a full permanent fund dividend to restore the public's trust. He said that the unpaid permanent fund dividends belong to individual Alaskans and not to the earnings reserve account. He offered his belief that an error occurred. He said that not paying back the PFDs would cover up the errors made and set precedent to what amounts to a crime. The earnings reserve account has enjoyed investment returns from these "parked" funds. This has benefited the state. The state will come out ahead once the payback occurs over the three-year timeline, he said.

[7:10:36 PM](#)

NORMAN CLARK, representing himself, Kotzebue, spoke in support of SB 23 and SB 24. He said he is a Native Alaskan. He expressed concern that people move to Alaska to get the permanent fund dividend, but Alaskans do not move to their states to receive benefits. He offered his belief that these funds belong to Alaskans.

[7:11:53 PM](#)

MIKE COONS, President, Greater Alaskan Chapter, Association of Mature Citizens (AMAC), Palmer, spoke in support of SB 23 and SB 24. He said that the people were robbed by Governor Walker and the legislature. "The time is now to give back what was stolen from us and ensure it never happens again," he said. He said that this money will have a huge impact on the economy. He recalled that the Institute of Social and Economic Research (Institute of Social and Economic Research) said that every [PFD] dollar creates six dollars. He said that those who are opposed to these bills can apply for the dividend and give it back via the "Pick.Click.Give." program or write a check to the State of Alaska.

[7:13:04 PM](#)

PAMELA SAMASH, representing herself, Nenana, spoke in support of SB 23 and SB 24. She said that families benefit from the PFD and spending their PFDs benefits their communities. She offered a suggestion how the state could become more independent of government. "Don't ask what your country can do for you, but what you can do for your country," she said.

[7:14:07 PM](#)

TIMOTHY MARTIN, representing himself, Sterling, spoke in support of SB 23 and SB 24 because the permanent fund dividend helps him provide health care for himself, his wife, and his grandchild. The PFD helps supplement their budget. The permanent fund dividend helps his small business. He favored cutting the budget and providing a better education for our children. He said he favors having the public and the government working together on these issues.

[7:15:19 PM](#)

VALERIE BECK, representing herself, Wasilla, spoke in support of SB 23 and SB 24. She believes that the PFDs should be restored. The PFDs were taken without giving the public an opportunity to weigh in on the matter. She thinks that government has been wasting money and now it wants to take the permanent fund dividend to fix its problems. She said that she works with a lot of elderly people in the Mat-Su valley. She offered her belief

that many of these people rely on the permanent fund dividend to provide money for their medications, treatments, utilities, and other basic needs.

[7:17:06 PM](#)

SUSAN FLETCHER, representing herself, Big Lake, spoke in support of SB 23 and SB 24. She said she is a member of the social media group, "Save the PFD." She said that families who live off the grid rely on their PFDs.

[7:18:07 PM](#)

CHAIR HUGHES reiterated that people can submit testimony in writing to senate.judiciary@akleg.gov.

[7:18:29 PM](#)

ADAM CARDWELL, representing himself, Willow, spoke in support of SB 23 and SB 24. He said that most of his neighbors depend on the money that the permanent fund dividend provides. When the permanent fund dividend was taken it made their lives difficult. He said that he is disabled and losing his PFD made his life much harder. He offered his belief that state employees make almost double what other people make. The budget needs to be dealt with, people need to be paid a fair wage, and quit giving oil and mining industries a break, he said.

[7:19:43 PM](#)

SUSAN CARLSON, representing herself, Willow, spoke in support of SB 23 and SB 24. She said that the schools and government need to be more accountable for their funds. She urged government to budget just as the people must budget.

[7:20:31 PM](#)

DEBRA JOHNSTON, representing herself, Anchorage, spoke in support of SB 23 and SB 24. She said that the PFD was never meant to support the state budget. The split [between funding the government and funding the PFD] was set at 50:50 and it should remain at that rate. She urged members to repay the PFDs. She said that Alaskans must live within their means. She also asked members to review the school budgets to determine where that money is being spent.

[7:21:29 PM](#)

KEN BROWN, representing himself, Soldotna, spoke in support of SB 23 and SB 24. He said that the money belongs to the people and to the private sector.

[7:21:58 PM](#)

DAVID STAMPER, representing himself, Wasilla, spoke in support of SB 23 and SB 24. He said that elderly people need this money. He said that having the permanent fund dividends cut caused him to be homeless for two years. He said he thinks about the people who need the PFDs.

[7:22:57 PM](#)

CHRISTINE HUTCHINSON, representing herself, Kenai, spoke in support of SB 23 and SB 24 and SJR 4. She said that her testimony was cut off during her testimony on SJR 4. She offered her belief that the state must maintain the rule of law. She said that Governor Walker cut the PFD contrary to the law, so it needs to be restored. She urged members to get spending in line with revenue. She supported the governor's approach to restructuring the budget. She said she is not an economist, but the end is coming. The budget must be cut if Alaska is to survive.

[7:24:22 PM](#)

ROSE GEISERT, representing herself, Wasilla, spoke in support of SB 23 and SB 24. She said the government should give us back our PFDs because it was taken without permission or a vote. She said that the permanent fund dividends provide the money for the things they need. The permanent fund dividend was meant for the people, she said.

AARON BENJAMIN, representing himself, Talkeetna, said he is a 42-year resident. He spoke in support of SB 23 and SB 24. He said that no matter what a person's economic condition is that this is not an entitlement, but a right for Alaska's citizens. He said that Alaskans have lost their mineral rights and at least the people are getting something for it. He suggested the legislators should be criminally prosecuted for theft.

[7:25:56 PM](#)

DIXIE BANNER, representing herself, Wasilla, spoke in support of SB 23 and SB 24. She said that the people demand the legislature cut the budget. She said that citizens expect them to listen and not do as they please. Legislators are not above the law and are employees of the people. She agreed with the testifier who said they committed treason and should be prosecuted. She would like a constitutional budget.

[7:26:59 PM](#)

MARY CONSTANTINE, representing herself, Fairbanks, spoke in support of SB 23 and SB 24. The rural Alaska economy is a subsistence economy and rural villages depend on the dividend to

pay bills and buy merchandise like chainsaws, snow machines, fish nets, boats and motors.

[7:28:11 PM](#)

GEORGE PAUL, representing himself, Wasilla, spoke in support of SB 23 and SB 24. He suggested that the committee consider an amendment to add the "Pick.Click.Give." option to departments so people who do not wish to receive their PFD can give them to the departments.

[7:29:12 PM](#)

HOLLIE BENSON, representing herself, Fairbanks, spoke in support of SB 23 and SB 24. She said that she supports Governor Dunleavy's plan. She does not believe that funds should be moved and used for another purpose. She is a third generation Alaskan. The PFD is unique to Alaska and shows that Alaska cares about their elders and that Alaska invests in its future. She characterized taking the PFD as taxation without representation, as unconstitutional, and going against Alaska's laws.

[7:30:18 PM](#)

PATRICK MARTIN, representing himself, Wasilla, spoke in support of SB 23 and SB 24. He said he is a 47-year resident of Alaska. He said he was grateful that Governor Dunleavy is strong enough to speak for the people. The government has overspent in every respect and the [budget] needs to be cut. The permanent fund was created for the people by Governor Hammond, who was a homesteader, but not many people remember that.

[7:32:01 PM](#)

SALLY JOHNSON, representing herself, Palmer, spoke in support of SB 23 and SB 24. She said that Governor Dunleavy speaks for every Alaskan. She said, "We need to trim government spending."

[7:32:39 PM](#)

RYNN BURTON, representing herself, Anchorage, spoke in support of SB 23 and SB 24. It was illegal to take the permanent fund dividend. He said that people who live a subsistence lifestyle and those with disabilities are dependent on the permanent fund dividends to pay medical costs and other items to survive. He supported balancing the budget and repaying the back permanent fund dividend.

[7:33:58 PM](#)

SENATOR MICCICHE joined the meeting.

[7:34:06 PM](#)

RONALD VAIDAUS, representing himself, Kasilof, spoke in support of SB 23 and SB 24. He said that the people elected Governor [Dunleavy] to cut the budget, protect taxpayers, and restore the permanent fund dividend.

[7:35:19 PM](#)

MELODY MCCULLOUGH, representing herself, Wasilla, spoke in support of SB 23 and SB 24. She said that Alaskans are owed the permanent fund dividend. It does not belong to the government because the government got its share. She said that the state needs to cap government spending and learn how to budget. She said that she is raising two grandchildren. Her husband works in an industry that Governor Dunleavy would like to bring to the state for more revenue. The PFD means a lot to her family and a portion goes to her oldest grandchild's college fund, she said.

[7:36:55 PM](#)

MIKE WHITNEY, representing himself, Big Lake, spoke in support of SB 23 and SB 24. He said he is the chair of the "Save the PFD" group. He said he cannot improve on the earlier testimony given by many Alaskans. He offered his belief that it is despicable that politicians will do this. Every politician knows that money is not to be on the table in this discussion and should go to a vote of the people. We intend to fire those [legislators] who are trying to steal from the people of Alaska.

[7:38:06 PM](#)

LORENZO DELEON, representing himself, Valdez, spoke in support of SB 23 and SB 24. He said that people in Valdez use the permanent fund dividend to catch up on their bills and pay fuel oil costs. He said the government needs to be pared down. He suggested getting rid of unnecessary government. He offered his belief that the capital should be moved from Juneau to Anchorage or Wasilla to save money.

[7:39:03 PM](#)

DEBORAH HOLLAND, representing herself, Anchorage, spoke in support of SB 23 and SB 24 and SJR 4. She said she found it disconcerting that Alaskans are not being helped by their legislators. She supported restoring funds that were stolen by the previous governor. She said that the state faces a national disaster and it seemed to her that such a disaster would shake funding from the legislature. She said that some people cannot live in their homes. She asked members to do the right thing.

[7:40:26 PM](#)

KRISTA BURTON, representing herself, Anchorage, spoke in support of SB 23 and SB 24. She supports Alaska cutting spending. She said it is ridiculous to take the money away from the people. She suggested that the Alaska National Wildlife Refuge could be opened to put people to work.

[7:41:29 PM](#)

EDWARD ZINGONE, representing himself, Anchorage, spoke in support of SB 23 and SB 24. She said that the permanent fund dividend was implemented incorrectly by Governor Walker and the previous legislature did not have the courage to call him out on it. He said that [taking the permanent fund dividend] implemented a regressive tax that took money from the poor and from families. He said his family of seven are all life-long Alaskans. He said that it has taken over \$15,000 from his family in the last two years. He would like to have the money restored. He said the permanent fund dividend is being used for college. He said that most of his children attend private schools, so he is not receiving any benefits from the state education system.

[7:42:43 PM](#)

CHAIR HUGHES after first determining no one wished to testify, closed public testimony on SB 23 and SB 24.

[7:43:42 PM](#)

SENATOR MICCICHE said that he appreciated Alaskans calling in.

[7:44:09 PM](#)

CHAIR HUGHES said that the committee took testimony from everyone except for those who experienced technical issues. She said that the public is welcome to submit written testimony to senate.judiciary@akleg.gov.

[7:44:35 PM](#)

SENATOR MICCICHE moved to report CSSB 23(STA), work order 31-GS1014\M, from committee with individual recommendations [and attached fiscal note(s)]. There being no objection, CSSB 23(STA) was reported from the Senate Judiciary Standing Committee.

[7:45:04 PM](#)

SENATOR MICCICHE moved to report CSSB 24(STA), work order 31-GS1013\M, from committee with individual recommendations and attached fiscal note.

SENATOR KIEHL objected.

[7:45:28 PM](#)

SENATOR KIEHL said that these bills got a referral to the Senate Judiciary Standing Committee to examine a specific constitutional issue. He expressed appreciation for the testimony of the Alaskans who spoke tonight. Most of the testimony was on the broader policy issue, but it was the constitutional issue that gives him pause. The way this bill is put together it has a constitutional problem under the Alaska Constitution and the U.S. Constitution, he said. It imposes a series of waiting periods for applicants to obtain additional payments. As one testifier pointed out SB 24 would create a two-year residency requirement to qualify for each payment. It would also create a waiting period in between, which makes it very difficult for Alaskans to exercise their right to travel and to live in another state, if need be, as Americans.

He said that when the committee held discussions with several attorneys about the issue, he was struck with the question about how the courts might look at this and what test they might apply and the connection back to the [Zobel v. Williams] case. In that case, the courts said it is not necessary to look at whether a rational or compelling basis since "you didn't get anywhere, you didn't even get to the first test. It's not a question of who won the race. Nobody's at the starting line." He offered his belief that this strange approach of a multi-year, stepwise, two-year residency waiting period eligibility.

SENATOR KIEHL recalled the committee talked through more fiscally efficient ways to provide the extra permanent fund dividend funding. The committee further discussed more efficient ways from an administrative standpoint to do this. However, no one got us to a rational basis for this structure that imposes these additional burdens on Alaskans' constitutional rights, he said. He restated objection to the way the bill is put together since he does not see a viable constitutional way to use this structure. He acknowledged that other ways could be used, but the structure of this bill does not meet the test.

[7:48:14 PM](#)

SENATOR MICCICHE said he is convinced of the opposite view. He said the best comparison is Harris v. Hahn. A Texas law provided free tuition to veterans to attend state public universities if the resident had either enlisted in Texas or was a resident of Texas at the time the individual enlisted. He said that could apply to a benefit that could go for many years. He said that was the comparison that was made. He said, "I don't think it has any comparison to the Zobel decision. I like the basis. I like how the three years track each other, remembering the fact that

the PFD is designed for Alaska residents." He said he thinks that is the right approach and he appreciated the administration taking that approach in this bill. He concluded that he has a different point of view. He stated that he was not going to emphatically say that [his argument] proves it beyond a "shadow of a doubt." However, he said that he follows this rational basis and he believed it was the same approach that is in SB 23 and SB 24. Therefore, he said he supports the approach taken in the bills.

[7:49:52 PM](#)

CHAIR HUGHES remarked that the Texas case is significant and relevant. She said, "I don't see it as a waiting period when a person can leave and has the freedom to travel in between. It is very different than having to wait in state."

[7:50:11 PM](#)

SENATOR KIEHL maintained his objection.

[7:50:16 PM](#)

A roll call vote was taken. Senators Micciche, Shower, and Hughes voted in favor of moving CSSB 24(STA), work order 31-GS1013\M from committee and Senator Kiehl voted against it. Therefore, the CSSB 24 (STA) was reported from committee by a 3:1 vote.

[7:50:47 PM](#)

CHAIR HUGHES reviewed upcoming committee announcements.

[7:51:17 PM](#)

There being no further business to come before the committee, Chair Hughes adjourned the Senate Judiciary Standing Committee meeting at 7:51 p.m.