

HOUSE FINANCE COMMITTEE
May 18, 2022
9:07 a.m.

[9:07:31 AM](#)

CALL TO ORDER

Co-Chair Foster called the House Finance Committee meeting to order at 9:07 a.m.

MEMBERS PRESENT

Representative Neal Foster, Co-Chair
Representative Kelly Merrick, Co-Chair
Representative Dan Ortiz, Vice-Chair
Representative DeLena Johnson
Representative Andy Josephson
Representative Bart LeBon
Representative Sara Rasmussen

MEMBERS ABSENT

Representative Ben Carpenter
Representative Bryce Edgmon
Representative Steve Thompson
Representative Adam Wool

ALSO PRESENT

Teresa Woldstad, Staff, Senator Robert Myers; Kris Curtis, Legislative Auditor, Alaska Division of Legislative Audit.

PRESENT VIA TELECONFERENCE

Bob Pickett, Chairman, Regulatory Commission of Alaska, Department of Commerce, Community and Economic Development; Stuart Goering, Assistant Attorney General, Department of Law.

SUMMARY

CSSB 190 (FIN)

REGULATORY COMMISSION AK/REFUSE UTILITIES

HCS CSSB 190(FIN) was REPORTED out of committee with six "do pass" recommendations and one "no recommendation" recommendation and with one previously published fiscal impact note: FN3(CED).

Co-Chair Foster reviewed the agenda for the meeting.

#sb190

CS FOR SENATE BILL NO. 190(FIN)

"An Act extending the termination date of the Regulatory Commission of Alaska; relating to Regulatory Commission of Alaska regulations regarding refuse utilities; relating to the powers and duties of the legislative audit division; and providing for an effective date."

9:08:54 AM

Co-Chair Foster invited Ms. Woldsted staff to Senator Robert Meyers to the table. He highlighted the importance of passing the bill that would extend the Regulatory Commission of Alaska (RCA) sunset date. He explained a couple of key points related to the bill including the RCA termination extension to 2030 and the ability for the auditor to continue auditing the RCA. He noted there was also the issue of a proposal to include refuse in the bill. He stated his preference to pass the simplest form of the bill to include the audit extension and the auditing function. He pointed out that it was the last day of session. He remarked that making changes to the bill would slow the process down.

9:11:06 AM

TERESA WOLDSTAD, STAFF, SENATOR ROBERT MYERS, explained that the Senate Finance Committee version of the bill had been a simple "housekeeping" version that did not change anything substantial regarding the refuse utilities of the RCA. She detailed that the specific version allowed the refuse utilities, already under the RCA, to use a different rate filing process for addressing refuse utility backlog with a simplified rate filing procedure. She explained that it was the bill version that came to the House for concurrence.

Co-Chair Foster remarked that the House Labor and Commerce Committee had made some changes to the bill. He asked for confirmation that the Senate version was version W.

Ms. Woldstad agreed.

Co-Chair Foster remarked that if the House Finance Committee adopted the Senate version it would go to the [House] floor and back to the Senate for concurrence. He believed the original version of the bill was limited to the sunset extension. He stated his understanding that the Senate Finance Committee had added refuse in the bill. He asked to hear from the Division of Legislative Audit.

KRIS CURTIS, LEGISLATIVE AUDITOR, ALASKA DIVISION OF LEGISLATIVE AUDIT, did not have a position on anything added with the exception of Section 4 of version W. She elaborated that Section 4 of version W was the repeal of AS 24.20.271(11), which was a duty added specifically to the Division of Legislative Audit around 15 years back; it was the only explicit audit requirement listed in terms of auditing someone specifically. She explained the provision required the division to audit the RCA's annual report every two years in addition to the regular sunset audit requirement. The division spent approximately 500 hours conducting the audit every two years. She stated that in her experience it had not been used by the public or policy makers. She did not believe it was a good use of resources and she supported the repeal.

Co-Chair Foster stated his understanding there may be an amendment offered to take the bill version back to the Senate Finance Committee version.

[9:14:15 AM](#)

AT EASE

[9:16:00 AM](#)

RECONVENED

Representative Josephson stated he would support a conceptual amendment that may be offered by Representative LeBon. Otherwise, he would support the House Labor and Commerce version.

Co-Chair Foster stated his understanding that Representative LeBon had a conceptual amendment that would

take the bill back to the original sunset extension with the auditing repeal and removing the refuse component. He thought Representative Johnson may have a separate amendment.

Representative Johnson replied that the conceptual amendment to be offered by Representative LeBon would take care of the change her amendment would have addressed.

[9:17:17 AM](#)

Representative LeBon MOVED to ADOPT conceptual Amendment 1 (copy on file):

Page 1, line 1 to Page 4, line 17

Delete all material

Insert

" "An Act extending the termination date of the Regulatory Commission of Alaska; and providing for an effective date."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 1. AS 44.66.010(a)(3) is amended to read:

(3) Regulatory Commission of Alaska (AS 42.04.010) - June 30, 2030 [2022];

* Sec. 2. AS 24.20.271(11) is repealed.

* Sec. 3. This Act takes effect immediately under AS 01.10.070(c)."

Co-Chair Foster OBJECTED for discussion.

Representative LeBon explained the amendment. The amendment returned the bill action to extending the RCA to June 30, 2030. The amendment would also repeal a redundant biennial audit that was beyond what was reasonable in an audit process.

Co-Chair Foster invited available individuals to make a comment regarding the amendment.

[9:18:48 AM](#)

BOB PICKETT, CHAIRMAN, REGULATORY COMMISSION OF ALASKA, DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT, ANCHORAGE (via teleconference), believed the amendment was a very reasonable approach. He noted it addressed the

concerns by the auditor. The RCA's primary concern was a clean extension.

STUART GOERING, ASSISTANT ATTORNEY GENERAL, DEPARTMENT OF LAW (via teleconference), replied that the Department of Law had no issues with the original version of the bill.

Ms. Woldstad was amenable to the amendment.

Co-Chair Foster WITHDREW his OBJECTION.

There being NO further OBJECTION, conceptual Amendment 1 was ADOPTED.

Co-Chair Foster asked for Mr. Pickett to address the fiscal note.

Mr. Pickett indicated the fiscal note matched the note the RCA submitted with the original bill.

[9:20:13 AM](#)

AT EASE

[9:21:02 AM](#)

RECONVENED

Co-Chair Foster clarified the conceptual amendment had been made to version 0 of the bill that had come out of the House Labor and Commerce Committee.

Co-Chair Merrick MOVED to report HCS CSSB 190(FIN) out of Committee with individual recommendations and the accompanying fiscal note.

There being NO OBJECTION, it was so ordered.

HCS CSSB 190(FIN) was REPORTED out of committee with six "do pass" recommendations and one "no recommendation" recommendation and with one previously published fiscal impact note: FN3(CED).

Co-Chair Foster indicated the committee would recess to the call of the chair [note: the meeting never reconvened].

#

ADJOURNMENT

9:22:09 AM

The meeting was adjourned at 9:22 a.m.