

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

March 3, 2022

3:06 p.m.

MEMBERS PRESENT

Representative Jonathan Kreiss-Tomkins, Chair
Representative Matt Claman, Vice Chair
Representative Geran Tarr
Representative Andi Story
Representative Sarah Vance
Representative James Kaufman
Representative David Eastman

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

HOUSE JOINT RESOLUTION NO. 29

Urging the United States Congress to pass the Postal Service Reform Act of 2021; urging the United States Congress to pass the Postal Banking Act; and urging the United States Postal Service to continue delivering mail six days a week under historic delivery standards.

- HEARD & HELD

CS FOR SENATE BILL NO. 71(FIN)

"An Act relating to special request registration plates celebrating the arts; relating to artwork in public buildings and facilities; relating to the management of artwork under the art in public places fund; relating to the powers and duties of the Alaska State Council on the Arts; establishing the Alaska arts and cultural investment fund; and providing for an effective date."

- HEARD & HELD

HOUSE BILL NO. 387

"An Act relating to the membership of the legislative council; and relating to the membership of the Legislative Budget and Audit Committee."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HJR 29

SHORT TITLE: SUPPORT UNITED STATES POSTAL SERVICE

SPONSOR(s): REPRESENTATIVE(s) RAUSCHER

02/11/22 (H) READ THE FIRST TIME - REFERRALS
02/11/22 (H) STA
03/01/22 (H) STA AT 3:00 PM GRUENBERG 120
03/01/22 (H) Heard & Held
03/01/22 (H) MINUTE(STA)
03/03/22 (H) STA AT 3:00 PM GRUENBERG 120

BILL: SB 71

SHORT TITLE: COUNCIL ON ARTS: PLATES & MANAGE ART

SPONSOR(s): SENATOR(s) STEVENS

02/05/21 (S) READ THE FIRST TIME - REFERRALS
02/05/21 (S) STA, FIN
03/09/21 (S) STA AT 3:30 PM BUTROVICH 205
03/09/21 (S) Heard & Held
03/09/21 (S) MINUTE(STA)
03/23/21 (S) STA AT 3:30 PM BUTROVICH 205
03/23/21 (S) Moved SB 71 Out of Committee
03/23/21 (S) MINUTE(STA)
03/24/21 (S) STA RPT 1DP 4NR
03/24/21 (S) NR: SHOWER, COSTELLO, KAWASAKI,
REINBOLD
03/24/21 (S) DP: HOLLAND
04/06/21 (S) FIN AT 9:00 AM SENATE FINANCE 532
04/06/21 (S) Heard & Held
04/06/21 (S) MINUTE(FIN)
04/19/21 (S) FIN AT 9:00 AM SENATE FINANCE 532
04/19/21 (S) Heard & Held
04/19/21 (S) MINUTE(FIN)
04/21/21 (S) FIN AT 9:00 AM SENATE FINANCE 532
04/21/21 (S) Moved CSSB 71(FIN) Out of Committee
04/21/21 (S) MINUTE(FIN)
04/23/21 (S) FIN RPT CS 5DP 2NR NEW TITLE
04/23/21 (S) DP: STEDMAN, BISHOP, HOFFMAN,
WIELECHOWSKI, VON IMHOF
04/23/21 (S) NR: WILSON, OLSON
05/05/21 (S) TRANSMITTED TO (H)
05/05/21 (S) VERSION: CSSB 71(FIN)
05/06/21 (H) READ THE FIRST TIME - REFERRALS

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| 05/06/21 | (H) | STA, FIN |
| 05/13/21 | (H) | STA AT 3:00 PM GRUENBERG 120 |
| 05/13/21 | (H) | <Bill Hearing Postponed to 5/15/21> |
| 05/15/21 | (H) | STA AT 10:00 AM GRUENBERG 120 |
| 05/15/21 | (H) | -- Testimony <Invitation Only> -- |
| 05/17/21 | (H) | STA AT 9:00 AM GRUENBERG 120 |
| 05/17/21 | (H) | -- MEETING CANCELED -- |
| 05/18/21 | (H) | FIN AT 9:00 AM ADAMS 519 |
| 05/18/21 | (H) | <Bill Hearing Canceled> |
| 03/01/22 | (H) | STA AT 3:00 PM GRUENBERG 120 |
| 03/01/22 | (H) | Heard & Held |
| 03/01/22 | (H) | MINUTE (STA) |
| 03/03/22 | (H) | STA AT 3:00 PM GRUENBERG 120 |

BILL: HB 387

SHORT TITLE: MEMBERS LEG COUNCIL; LEG BUDGET & AUDIT
 SPONSOR(s): REPRESENTATIVE(s) KREISS-TOMKINS

| | | |
|----------|-----|---------------------------------|
| 02/22/22 | (H) | READ THE FIRST TIME - REFERRALS |
| 02/22/22 | (H) | STA |
| 03/03/22 | (H) | STA AT 3:00 PM GRUENBERG 120 |

WITNESS REGISTER

TIM LAMKIN, Staff
 Senator Gary Stevens
 Alaska State Legislature
 Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on SB 71, on behalf of Senator Stevens, prime sponsor.

JEFFREY SCHMITZ, Director
 Division of Motor Vehicles
 Department of Administration
 Anchorage, Alaska

POSITION STATEMENT: Answered questions during the hearing on SB 71.

BENJAMIN BROWN, Chair
 Alaska State Council on the Arts
 Anchorage, Alaska

POSITION STATEMENT: Answered questions during the hearing on SB 71.

CLAIRE RADFORD, Attorney
 Legislative Legal Services
 Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on SB 71.

ANDREA NOBLE, Executive Director
Alaska State Council on the Arts
Anchorage, Alaska

POSITION STATEMENT: Answered questions during the hearing on SB 71.

JUNE ROGERS
Fairbanks, Alaska

POSITION STATEMENT: Testified in support of SB 71.

ANITA LAULAINEN
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 71.

XANNIE BORSETH, Staff
Representative Jonathan Kreiss-Tomkins
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Introduced HB 387 on behalf of Representative Kreiss-Tomkins, prime sponsor.

MEGAN WALLACE, Director
Legislative Legal Services
Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on HB 387.

ACTION NARRATIVE

[3:06:48 PM](#)

CHAIR JONATHAN KREISS-TOMKINS called the House State Affairs Standing Committee meeting to order at 3:06 p.m. Representatives Kaufman, Eastman, Vance, and Kreiss-Tomkins were present at the call to order. Representatives Story, Tarr, and Claman arrived as the meeting was in progress.

HJR 29-SUPPORT UNITED STATES POSTAL SERVICE

[3:08:16 PM](#)

CHAIR KREISS-TOMKINS announced that the first order of business would be HOUSE JOINT RESOLUTION NO. 29, Urging the United States

Congress to pass the Postal Service Reform Act of 2021; urging the United States Congress to pass the Postal Banking Act; and urging the United States Postal Service to continue delivering mail six days a week under historic delivery standards.

[3:08:24 PM](#)

CHAIR KREISS-TOMKINS opened public testimony. After ascertaining that no one wished to testify, he closed public testimony. He announced that HJR 29 was held over.

SB 71-COUNCIL ON ARTS: PLATES & MANAGE ART

[3:08:41 PM](#)

CHAIR KREISS-TOMKINS announced that the next order of business would be CS FOR SENATE BILL NO. 71(FIN), "An Act relating to special request registration plates celebrating the arts; relating to artwork in public buildings and facilities; relating to the management of artwork under the art in public places fund; relating to the powers and duties of the Alaska State Council on the Arts; establishing the Alaska arts and cultural investment fund; and providing for an effective date."

[3:08:58 PM](#)

The committee took a brief at-ease.

[3:09:54 PM](#)

CHAIR KREISS-TOMKINS invited questions from committee members.

[3:10:59 PM](#)

REPRESENTATIVE EASTMAN inquired about the \$50 fee on page 2, line 3 of SB 71.

[3:11:23 PM](#)

TIM LAMKIN, Staff, Senator Gary Stevens, Alaska State Legislature, on behalf of Senator Stevens, prime sponsor, clarified that the fee in question would be added to the cost of the specialty license plate, which was priced at \$30. He conveyed that the plan was to set the additional fee at \$3 or \$4; however, the bill language would give the Alaska State Council on the Arts (ASCA) the latitude to increase that fee over time to an amount not to exceed \$50.

MR. LAMKIN, in response to a follow up question from Representative Eastman, reported that the license plates' initial price varied from \$30 to \$100. He noted that there was a subsequent renewal price as well.

REPRESENTATIVE EASTMAN sought to confirm that the initial price of the license plates was determined by ASCA.

MR. LAMKIN understood that ASCA had the statutory authority to determine an amount not to exceed \$50.

REPRESENTATIVE EASTMAN asked why the price was "separate" for a second iteration of the same plate.

MR. LAMKIN deferred to the Division of Motor Vehicles (DMV), Department of Administration (DOA).

[3:14:41 PM](#)

JEFFREY SCHMITZ, Director, Division of Motor Vehicles, Department of Administration, asked Representative Eastman to repeat the question.

REPRESENTATIVE EASTMAN stated that his question was in regard to replacement plates. He observed that the initial issuance cost \$50; however, there was no charge for the second issuance. He asked why that was.

MR. SCHMITZ explained that the artistic plate was issued to citizens for free upon initial registration with an additional charge of \$30 for personalization, which was optional. However, under the proposed legislation, ASCA could charge up to \$50 for the initial issuance of that particular plate, which was the most popular choice, as opposed to being free upon initial registration.

[3:16:35 PM](#)

REPRESENTATIVE EASTMAN sought to confirm that there was no fee associated with the second issuance, as the DMV was unsure of how many people would pay for the first issuance.

MR. SCHMITZ clarified that there was a replacement fee of \$5.

[3:17:41 PM](#)

REPRESENTATIVE KAUFMAN inquired about ASCA's funding structure. He sought to confirm that it consisted of general fund (GF) funding and matching federal funding.

MR. LAMKIN answered yes.

REPRESENTATIVE KAUFMAN surmised that the proposed legislation was an effort to create an additional revenue stream, which would displace some of the funding from the GF.

MR. LAMKIN answered yes.

REPRESENTATIVE KAUFMAN sought to confirm that the anticipated initial buy-in for the license plates was forecasted to be 3,097 [plates] at a cost of \$50 to generate \$154,850.

MR. LAMKIN said, "That sounds right based on memory."

REPRESENTATIVE KAUFMAN asked whether there were additional funding sources.

MR. LAMKIN pointed out that he was not an expert on financial mechanics.

CHAIR KREISS-TOMKINS deferred to Mr. Brown, chair of ASCA.

[3:20:24 PM](#)

BENJAMIN BROWN, Chair, Alaska State Council on the Arts, explained that as a state arts agency, ASCA was federally required to receive money from the National Endowment for the Arts to provide a state appropriated match, which must be undesignated general fund (UGF) or designated general fund (DGF) money. He reported that the approximate amount was \$700,000. He explained the intent behind the license plate provision was to continue a successful program that put art by an Alaskan artist on cars across the state and to generate a modest amount of funding to offset the amount of UGF that the legislature appropriates to make the required match to the National Endowment on the Arts. He reported that the remainder of ASCA's budget came from private foundation partners including (indisc.) philanthropies and the Rasmuson Foundation.

[3:23:50 PM](#)

CHAIR KREISS-TOMKINS opined that the artistic license program had been a massive success; nonetheless, he highlighted the time and effort it required, which justified the modest fees.

[3:24:34 PM](#)

REPRESENTATIVE STORY asked whether the fund was sweepable.

REPRESENTATIVE TARR relayed that per Legislative Legal Services, the fund was not sweepable.

CHAIR KREISS-TOMKINS shared that the fund was not sweepable according to the Department of Law's perspective.

[3:25:47 PM](#)

REPRESENTATIVE CLAMAN asked, "Can you explain why we shouldn't be concerned that this would be declared ... sweepable?"

[3:26:11 PM](#)

CLAIRE RADFORD, Attorney, Legislative Legal Services, stated that, per Section 6 of the bill, the fund would not be sweepable because the money in the fund could be spent by the council without further appropriation.

REPRESENTATIVE CLAMAN addressed conflict of interest. He directed attention to Section 5 of the bill and asked whether a conflict of interest would always be determined by the attorney general (AG) if the council was seeking legal advice regarding vetoed funding.

MS. RADFORD explained that if the bill were to pass, the council would have the ability to employ temporary legal counsel with the approval of the AG for good cause. Additionally, the bill provided that the AG may not unreasonably withhold approval.

REPRESENTATIVE CLAMAN asked why the AG had the ability to approve the council's request to seek outside counsel if a conflict of interest existed between the two entities.

MS. RADFORD said it was a policy decision.

[3:29:05 PM](#)

REPRESENTATIVE CLAMAN expressed his confusion. He shared his understanding that for conflicts purposes, the AG was thought of

as a single firm that could not represent two parties with adverse interests. He asked if that was accurate.

MS. RADFORD believed that was correct.

REPRESENTATIVE CLAMAN questioned whether the AG had discretion under the scenario in which a conflict existed between ASCA's interests and the AG's interests and asked how the AG could have any discretion. Further, if a conflict existed, he sought to confirm that the AG was required to decline the opportunity to represent that entity.

MS. RADFORD referred to Section 5, subsection (b) of the bill. She offered to follow up with the requested information, noting that she was unfamiliar with the day-to-day operations of the Office of the Attorney General.

REPRESENTATIVE CLAMAN suggested that the council should have the right to review counsel if there was a conflict of interest with the AG. He indicated that he was suggesting an alternative approach because he could not foresee a circumstance in which the conflict wouldn't exist.

CHAIR KREISS-TOMKINS deferred to Mr. Brown.

[3:31:32 PM](#)

MR. BROWN recalled a personal anecdote in which the AG attempted to create a firewall by providing temporary legal counsel to two agencies so as to avoid being unreasonably and impermissibly conflicted.

CHAIR KREISS-TOMKINS sought to confirm that Mr. Brown was recalling an experience from his time as the commissioner of the Commercial Fisheries Entry Commission (CFEC)

MR. BROWN said yes, when the Walker Administration was attempting to substantially rewrite the Limited Entry Act with an administrative order, which was perceived by CFEC as unconstitutional. He recalled that an assistant AG was assigned to CFEC to provide legal advice.

[3:35:06 PM](#)

REPRESENTATIVE CLAMAN asked how the conflict with CFEC concluded.

MR. BROWN recalled that another litigant had sued the administration, thus challenging the action to which CFEC was opposed. Because of that, he explained that CFEC no longer felt pressured to take that step, as the remedy was being pursued by an entity that was aligned with the commissioner's beliefs.

MR. LAMKIN noted that [Section 5] was modeled after existing language that applied to CFEC.

[3:37:54 PM](#)

REPRESENTATIVE VANCE suggested that there may be other reasons to seek outside counsel aside from conflicts within the administration. She asked if that was true.

MR. BROWN said it's possible, as the potential for litigation and the need for legal advice could always arise.

REPRESENTATIVE VANCE asked how ASCA would pay for inter-agency receipt authority to employ outside counsel.

MR. BROWN explained that the board of trustees would need to come up with a budget revision to reallocate funds in strict compliance with ASCA's contractual agreement with its foundation partners.

[3:42:09 PM](#)

REPRESENTATIVE EASTMAN asked whether state match money would be used for that purpose.

MR. BROWN pointed out that it was hard to respond to a hypothetical scenario. He maintained that ASCA would work with its staff to resolve the crisis; further, that ASCA would never violate state or federal law or a contractual agreement with a funding partner.

[3:43:52 PM](#)

REPRESENTATIVE EASTMAN directed attention to Section 5, which stated "The attorney general is the legal counsel for the council". He suggested that the language in question was imposing a duty on the AG. He asked what options would be available to the AG if a conflict of interest were to arise.

MS. RADFORD pointed out that the AG was legal counsel for a number of other commissions and agencies in statute, such as the

State Commission for Human Rights and the Occupational Safety and Health Review Board (OSHRB). As far as available options, she deferred to the Office of the Attorney General.

REPRESENTATIVE EASTMAN inquired about the implications of potentially eliminating the paragraph dealing with "first issuance" in Section 1 of the bill [page 2, lines 6-8].

MS. RADFORD said if that language was removed, there wouldn't be a set time for fee collection; further, it would be unclear whether the fee would only apply to first issuance or if it would apply to additional issuances as well.

[3:46:51 PM](#)

REPRESENTATIVE KAUFMAN asked whether anything would preclude a legal defense fund from funding [outside counsel].

MR. BROWN could think of no reason why that couldn't happen.

[3:48:59 PM](#)

REPRESENTATIVE CLAMAN provided an anecdotal example of an art exhibit that was perceived to be pornographic. If ASCA and the governor disagreed on bringing that exhibit to Alaska, he wondered whether there would be a need for outside counsel.

MS. RADFORD said she was unfamiliar with the example referenced by Representative Claman. She offered to follow up with a response at the next bill hearing.

CHAIR KREISS-TOMKINS suggested holding off on questions relating to Section 5 until DOL was available to respond.

[3:52:36 PM](#)

REPRESENTATIVE VANCE sought to further understand the responsibility of the executive branch, asking when they would carry out the will of the administration versus their own wants and needs.

REPRESENTATIVE TARR posed a question pertaining to Section 5.

CHAIR KREISS-TOMKINS redirected the conversation to other sections of the bill.

[3:55:19 PM](#)

REPRESENTATIVE EASTMAN observed that a new section was added under Section 2, which would give the council the responsibility of managing the relocation, disposition, and exchange of works of art. He asked who was currently responsible for managing the art.

MR. BROWN answered the Department of Transportation & Public Facilities (DOT&PF). He stated that there was no statutory provision to deal with the "end of life" in terms of buildings; therefore, he believed it was prudent to create a mechanism for dealing with the art in decommissioned buildings, so that the public investment was not lost. He proceeded to distinguish between the Percent for Art Program and the Alaska Contemporary Art Bank (ACAB).

REPRESENTATIVE EASTMAN speculated that a fire station or police department may need to interact with the council regarding the acquired art in the building; however, he claimed that the fire station or police department "may not want to have that interaction."

MR. BROWN assured Representative Eastman that ASCA had "wonderful and lovely" staff, adding that there was no need for any fire department to be hesitant about interacting with the council. He reiterated that the intent was to implement best practices so that the public investment was not lost, and the artist's work was dealt with respectfully.

REPRESENTATIVE EASTMAN asked what the council's position would be if its responsibility was limited to the construction or demolition of the building to clarify that ASCA had no authority while the building was being used.

MR. BROWN emphasized that the language was drafted to allow the council to adopt policies that would implement the percent for art statute. In the process of developing policies, he assured Representative Eastman that ASCA would request public input and rely on DOT&PF. He believed the result would mirror Representative Eastman's vision without needing to change the bill language. He maintained that the intent was to avoid stranding a public investment in a decommissioned public building.

REPRESENTATIVE EASTMAN expressed his concern that the council may have a different interpretation of how to process art at end of its life than a fire station, for example. He restated his

proposal to narrow the provision, such that it wouldn't apply while the building was in use. He asked the sponsor to opine on his suggestion.

MR. LAMKIN shared his understanding that the art was an investment of public dollars and thereby property of the State of Alaska. For that reason, ASCA was the proper agency to manage that property.

REPRESENTATIVE TARR opined that ASCA would be most equipped to manage and store the art.

MR. BROWN envisioned best practices involving the people who had utilized the building over its useful life. He stated that ASCA's goal was to encourage the creation and enjoyment of art in the daily life of all Alaskans, which the policy of decommissioning, relocating and disposing of public art would further.

[4:06:33 PM](#)

REPRESENTATIVE VANCE, referring to the fiscal note, asked what specific regulatory changes would be paid for by the one-time increment of \$6,000.

MR. LAMKIN pointed out that the language in question was commonly included in the implementation of new regulations. He believed it was a generic figure.

REPRESENTATIVE VANCE asked which regulations it pertained to.

MR. LAMKIN deferred to Ms. Noble, ASCA.

[4:08:19 PM](#)

ANDREA NOBLE, Executive Director, Alaska State Council on the Arts, shared her understanding that the fees totaling \$6,000 were a conservative estimate for the purpose of coordinating between departments and staffing public hearings.

[4:09:50 PM](#)

CHAIR KREISS-TOMKINS opened public testimony on SB 71.

[4:10:12 PM](#)

JUNE ROGERS expressed her full support for ASCA and SB 71.

[4:12:10 PM](#)

CHAIR KREISS-TOMKINS closed public testimony.

[4:12:33 PM](#)

The committee took a brief at-ease.

[4:12:46 PM](#)

CHAIR KREISS-TOMKINS reopened public testimony on SB 71.

[4:13:05 PM](#)

ANITA LAULAINEN said she was the winner of the inaugural Alaska artistic license plate competition. She recounted her experience winning the competition and the impact it had on her career both financially and creatively. She concluded by expressing her gratitude for the opportunity and her continued surprise at the popularity of the design, which helped highlight the local art community. She stated her full support for SB 71.

[4:16:49 PM](#)

CHAIR KREISS-TOMKINS closed public testimony. He announced that SB 71 was held over.

HB 387-MEMBERS LEG COUNCIL; LEG BUDGET & AUDIT

[4:18:07 PM](#)

CHAIR KREISS-TOMKINS announced that the final order of business would be HOUSE BILL NO. 387, "An Act relating to the membership of the legislative council; and relating to the membership of the Legislative Budget and Audit Committee."

[4:18:36 PM](#)

XANNIE BORSETH, Staff, Representative Jonathan Kreiss-Tomkins, Alaska State Legislature, introduced HB 387 on behalf of Representative Kreiss-Tomkins, prime sponsor. She paraphrased the sponsor statement [included in the committee packet], which read as follows [original punctuation provided]:

As outlined by state statute, the Alaska Legislative Council has the essential role of conducting the

legislature's business when the legislature is not in session, while the Legislative Budget and Audit Committee plays a pivotal role in managing state finances and expenditures.

It is clear the legislative intent of committee member representation on these decisive standing committees is meant to be equitable and fair. Alaska State Statute establishes membership on Legislative Council and Legislative Budget and Audit to include "at least one member from each of the two major political parties of each house;" however, the Alaska legislature has a long history of coalition caucuses and nonpartisan legislators. The unfortunate consequence is that organized legislative minority representation has long been denied from these critical standing committees. Caucuses form around a vision they have for Alaska. The minority caucuses should not have their vision for Alaska unrepresented on these committees.

House Bill 387 seeks to clarify the long-standing intent of fair representation on these powerful standing committees by requiring at least one member of the minority party of each house. By this change, we can ensure that all of Alaska is represented fairly on Legislative Council and Legislative Budget and Audit.

[4:20:39 PM](#)

REPRESENTATIVE EASTMAN observed that the bill referred to "chairs of the senate and house finance committees". He sought to clarify that statement and the intent behind Section 2.

[4:21:23 PM](#)

MS. BORSETH deferred to Ms. Wallace, Legislative Legal Services.

[4:21:39 PM](#)

MEGAN WALLACE, Director, Legislative Legal Services, explained that the Legislative Budget and Audit Committee (LB&A) membership statute provided that the chair - or one of the co-chairs - of both the senate and house finance committees would serve under that clause. The membership provision also allowed for another member of the senate and house finance committees to

be appointed by the senate president and the speaker of the house, at which point both co-chairs could have membership on LB&A.

[4:22:41 PM](#)

REPRESENTATIVE EASTMAN remarked:

One reading of the current language is that the chairs are automatically included among the 10 members of the committee, and then you have a separate portion of that statement, which is tied to the appointment by the presiding officers. Or, I suppose, one could designate that the chairs are appointed by the presiding officer, which would be a little bit different.

[4:24:09 PM](#)

MS. WALLACE clarified that there were 10 members under the current structure. She said existing language provided that of those members, 3 were appointed by the presiding officers; 2 were chairs of the house and senate finance committee; and 2 were members of the house and senate finance committee. If there were co-chairs of the finance committees, she said it would depend on who the senate president was appointing as the discretionary finance committee person. She suspected that the statute was not specific for scenario in which there were co-chairs; nonetheless, the statute clearly stated that there were only 10 members. She further noted that "chairs of the senate and house finance committee" in Section 2 referred to 1 chair from each of the finance committees.

REPRESENTATIVE EASTMAN asked whether all 10 members were required to be appointed by a presiding officer.

[4:26:18 PM](#)

MS WALLACE said the statute clearly allowed for some appointments by the presiding officer. She pointed out that the language in question, "the chairs of the senate and house finance committees", did not account for a scenario in which there were two co-chairs. She speculated that if the senate president were to pick the chair and a member that was not the co-chair, there could be some dispute as to who had the right to serve on that committee.

[4:28:16 PM](#)

REPRESENTATIVE CLAMAN inquired about alternates.

MS. WALLACE said there was a specific statute, AS 24.20.165, that governed LB&A alternates. Regarding Legislative Council, there was nothing in statute that expressly prevented or provided for alternate members.

REPRESENTATIVE CLAMAN asked how alternates on LB&A were addressed in AS 24.20.165.

MS. WALLACE summarized the statute in question, explaining that the presiding officers appointed one alternate member from the finance committee. The alternate member was allowed to participate when the chair of the LB&A committee determined there were not enough regular members in attendance at the meeting to provide a quorum.

REPRESENTATIVE CLAMAN sought to confirm that the presiding officer was required to appoint an alternate from the finance committee of each body.

MS. WALLACE confirmed that the alternate was a mandatory appointment from a member of the finance committee by the presiding officer.

REPRESENTATIVE CLAMAN observed that Section 1 and Section 2 of the bill referenced the minority leader's designee. He asked whether the minority leader would be required to name that designee, who would then become a member of the committee.

[4:32:42 PM](#)

MS. BORSETH explained that a forthcoming amendment would change the designee language to "alternate", to allow for an established alternate instead of the Senate Minority choosing a person each time Legislative Council met.

REPRESENTATIVE CLAMAN asked what would happen if the minority leader declined to serve on LB&A. He questioned whether the minority leader would need to designate an official committee member.

MS. BORSETH deferred to Ms. Wallace.

[4:33:29 PM](#)

MS. WALLACE perceived the language to indicate that yes, the minority leader would need to permanently designate someone to sit as the member on the committee. If the minority leader declined to sit on the committee, he/she would essentially appoint a person to sit permanently on the committee in his/her place. Further, if the designee was unavailable to attend a meeting, the committee would resort to the existing statute pertaining to alternate members, she said.

REPRESENTATIVE CLAMAN sought to confirm that the language as drafted would require the minority leader or his/her official designee to serve as a permanent member of the committee.

MS. WALLACE said that was her understanding of the language as drafted. Nonetheless, she encouraged the bill sponsor to weigh in to articulate the legislative intent.

[4:36:44 PM](#)

REPRESENTATIVE VANCE asked why the bill sponsor didn't decide upon a membership proportionate to the size of the minority.

CHAIR KREISS-TOMKINS indicated that the bill reflected its companion bill in the Senate.

[4:37:40 PM](#)

REPRESENTATIVE EASTMAN highlighted the importance of the alternate's role in Legislative Council and the Select Committee on Legislative Ethics. He encouraged the committee to seek parity between the three committees [Legislative Council, the Select Committee on Legislative Ethics, and LB&A].

[4:40:42 PM](#)

CHAIR KREISS-TOMKINS announced that HB 387 was held over.

[4:41:32 PM](#)

CHAIR KREISS-TOMKINS made a motion to authorize himself, as chair of the House State Affairs Standing Committee, to introduce a committee bill relating to state investment and divestment of assets relating to Russia.

[4:42:42 PM](#)

REPRESENTATIVE EASTMAN objected. He shared his belief that the committee should be shown a draft of the bill before voting on this type of motion.

[4:42:59 PM](#)

REPRESENTATIVE KAUFMAN expressed concern about politicizing the funds and in turn, managing [the Alaska Permanent Fund] in a less than optimal manner. He said he respected the desire to support Ukraine; however, he wanted to make sure that [the Alaska Permanent Fund Corporation (APFC)] would be allowed to manage the fund independently.

[4:43:40 PM](#)

A roll call vote was taken. Representatives Tarr, Story, Claman, and Kreiss-Tomkins voted in favor of the motion to introduce committee legislation. Representatives Vance, Kaufman, and Eastman voted against it. Therefore, the motion passed by a vote of 4-3.

[4:44:22 PM](#)

ADJOURNMENT

There being no further business before the committee, the House State Affairs Standing Committee meeting was adjourned at 4:44 p.m.