

ALASKA STATE LEGISLATURE
HOUSE STATE AFFAIRS STANDING COMMITTEE

April 26, 2022

4:54 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 BILL NO. 66

"An Act relating to voting, voter qualifications, and voter registration; relating to poll watchers; relating to absentee ballots and questioned ballots; relating to election worker compensation; and providing for an effective date."

- HEARD & HELD

HOUSE BILL NO. 142

"An Act relating to eligibility for the permanent fund dividend."

- MOVED CSHB 142 (STA) OUT OF COMMITTEE

HOUSE BILL NO. 271

"An Act relating to the Alaska Industrial Development and Export Authority; and providing for an effective date."

- MOVED HB 271 OUT OF COMMITTEE

HOUSE BILL NO. 396

"An Act restricting certain investments of state funds in certain Russian entities; and providing for an effective date."

- MOVED CSHB 396 (STA) OUT OF COMMITTEE

HOUSE BILL NO. 316

"An Act providing for a standardized improvement tracking system for state agencies."

- BILL HEARING CANCELED

HOUSE BILL NO. 309

"An Act exempting candidates for municipal office and municipal office holders in municipalities with a population of 15,000 or less from financial or business interest reporting requirements; relating to campaign finance reporting by certain groups; and providing for an effective date."

- BILL HEARING CANCELED

PREVIOUS COMMITTEE ACTION

BILL: HB 66

SHORT TITLE: ELECTIONS, VOTING, BALLOTS

SPONSOR(s): REPRESENTATIVE(s) TUCK

02/18/21	(H)	PREFILE RELEASED 1/15/21
02/18/21	(H)	READ THE FIRST TIME - REFERRALS
02/18/21	(H)	STA, JUD
04/09/21	(H)	STA REFERRAL MOVED TO AFTER JUD
04/09/21	(H)	BILL REPRINTED
04/12/21	(H)	JUD AT 1:00 PM GRUENBERG 120
04/12/21	(H)	Heard & Held
04/12/21	(H)	MINUTE(JUD)
04/14/21	(H)	JUD AT 1:00 PM GRUENBERG 120
04/14/21	(H)	Heard & Held
04/14/21	(H)	MINUTE(JUD)
04/19/21	(H)	JUD AT 1:00 PM GRUENBERG 120
04/19/21	(H)	Moved CSHB 66(JUD) Out of Committee
04/19/21	(H)	MINUTE(JUD)
04/21/21	(H)	JUD RPT CS(JUD) 4DP 3DNP
04/21/21	(H)	DP: KREISS-TOMKINS, DRUMMOND, SNYDER, CLAMAN
04/21/21	(H)	DNP: EASTMAN, VANCE, KURKA
04/21/21	(H)	FIN REFERRAL ADDED AFTER STA
04/21/21	(H)	BILL REPRINTED
04/29/21	(H)	STA AT 3:00 PM GRUENBERG 120
04/29/21	(H)	Heard & Held
04/29/21	(H)	MINUTE(STA)
05/06/21	(H)	STA AT 3:00 PM GRUENBERG 120
05/06/21	(H)	Scheduled but Not Heard

01/25/22 (H) STA AT 3:00 PM GRUENBERG 120
 01/25/22 (H) Heard & Held
 01/25/22 (H) MINUTE(STA)
 04/12/22 (H) STA AT 3:00 PM GRUENBERG 120
 04/12/22 (H) Heard & Held
 04/12/22 (H) MINUTE(STA)
 04/19/22 (H) STA AT 3:00 PM GRUENBERG 120
 04/19/22 (H) Heard & Held
 04/19/22 (H) MINUTE(STA)
 04/21/22 (H) STA AT 3:00 PM GRUENBERG 120
 04/21/22 (H) Heard & Held
 04/21/22 (H) MINUTE(STA)
 04/26/22 (H) STA AT 3:00 PM GRUENBERG 120

BILL: HB 142

SHORT TITLE: PFD ELIGIBILITY

SPONSOR(s): REPRESENTATIVE(s) MCCARTY

03/20/21 (H) READ THE FIRST TIME - REFERRALS
 03/20/21 (H) STA, JUD, FIN
 04/09/21 (H) STA REFERRAL MOVED TO AFTER JUD
 04/09/21 (H) BILL REPRINTED
 04/21/21 (H) JUD AT 1:00 PM GRUENBERG 120
 04/21/21 (H) Heard & Held
 04/21/21 (H) MINUTE(JUD)
 04/26/21 (H) JUD AT 1:00 PM GRUENBERG 120
 04/26/21 (H) Moved CSHB 142(JUD) Out of Committee
 04/26/21 (H) MINUTE(JUD)
 04/28/21 (H) JUD RPT CS(JUD) NEW TITLE 3DP 2NR 1AM
 04/28/21 (H) DP: SNYDER, KREISS-TOMKINS, CLAMAN
 04/28/21 (H) NR: EASTMAN, DRUMMOND
 04/28/21 (H) AM: VANCE
 04/29/21 (H) STA AT 3:00 PM GRUENBERG 120
 04/29/21 (H) Heard & Held
 04/29/21 (H) MINUTE(STA)
 05/04/21 (H) STA AT 3:00 PM GRUENBERG 120
 05/04/21 (H) Heard & Held
 05/04/21 (H) MINUTE(STA)
 05/19/21 (H) FIN AT 9:00 AM ADAMS 519
 05/19/21 (H) -- MEETING CANCELED --
 02/08/22 (H) STA AT 3:00 PM GRUENBERG 120
 02/08/22 (H) Heard & Held
 02/08/22 (H) MINUTE(STA)
 03/22/22 (H) STA AT 3:00 PM GRUENBERG 120
 03/22/22 (H) Scheduled but Not Heard
 03/29/22 (H) STA AT 3:00 PM GRUENBERG 120
 03/29/22 (H) Heard & Held

03/29/22 (H) MINUTE (STA)
04/12/22 (H) STA AT 3:00 PM GRUENBERG 120
04/12/22 (H) Heard & Held
04/12/22 (H) MINUTE (STA)
04/26/22 (H) STA AT 3:00 PM GRUENBERG 120

BILL: HB 271

SHORT TITLE: AIDEA: MEMBERSHIP; RESPONSIBILITIES
SPONSOR(s): REPRESENTATIVE(s) JOSEPHSON

01/18/22 (H) PREFILE RELEASED 1/14/22
01/18/22 (H) READ THE FIRST TIME - REFERRALS
01/18/22 (H) STA, FIN
03/17/22 (H) STA AT 3:00 PM GRUENBERG 120
03/17/22 (H) Heard & Held
03/17/22 (H) MINUTE (STA)
03/29/22 (H) STA AT 3:00 PM GRUENBERG 120
03/29/22 (H) Heard & Held
03/29/22 (H) MINUTE (STA)
04/19/22 (H) STA AT 3:00 PM GRUENBERG 120
04/19/22 (H) Heard & Held
04/19/22 (H) MINUTE (STA)
04/21/22 (H) STA AT 3:00 PM GRUENBERG 120
04/21/22 (H) <Bill Hearing Rescheduled to 4/26/22>
04/26/22 (H) STA AT 3:00 PM GRUENBERG 120

BILL: HB 396

SHORT TITLE: DIVEST INVESTMENTS IN RUSSIAN ENTITIES
SPONSOR(s): STATE AFFAIRS

03/09/22 (H) READ THE FIRST TIME - REFERRALS
03/09/22 (H) STA, FIN
03/10/22 (H) STA AT 3:00 PM GRUENBERG 120
03/10/22 (H) Heard & Held
03/10/22 (H) MINUTE (STA)
03/15/22 (H) STA AT 3:00 PM GRUENBERG 120
03/15/22 (H) Heard & Held
03/15/22 (H) MINUTE (STA)
03/17/22 (H) STA AT 3:00 PM GRUENBERG 120
03/17/22 (H) <Bill Hearing Canceled>
03/22/22 (H) STA AT 3:00 PM GRUENBERG 120
03/22/22 (H) Heard & Held
03/22/22 (H) MINUTE (STA)
04/19/22 (H) STA AT 3:00 PM GRUENBERG 120
04/19/22 (H) Scheduled but Not Heard
04/21/22 (H) STA AT 3:00 PM GRUENBERG 120
04/21/22 (H) Heard & Held

04/21/22 (H) MINUTE (STA)
04/26/22 (H) STA AT 3:00 PM GRUENBERG 120

WITNESS REGISTER

MATT ROE, Head of Product
Voting Works
California

POSITION STATEMENT: Provided invited testimony during the hearing on the proposed CS for HB 66, Version O.

REPRESENTATIVE CHRIS TUCK
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on the proposed CS for HB 66, Version O, as the prime sponsor.

GAIL FENUMIAI, Director
Division of Elections
Office of the Lieutenant Governor
Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on the proposed CS for HB 66, Version O.

MIKE MASON, Staff
Representative Chris Tuck
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Answered questions, on behalf of Representative Tuck, prime sponsor, during the hearing on the proposed CS for HB 66, Version O.

SANA EFRID, Executive Director
Alaska Commission on Postsecondary Education
Juneau, Alaska

POSITION STATEMENT: Answered questions during the amendment process on the proposed CS for HB 142, Version W.

REPRESENTATIVE KEN MCCARTY
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on the proposed CS for HB 142, Version W, as the prime sponsor.

COREY BIGELOW, Operations Manager
Permanent Fund Dividend Division
Department of Revenue

Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on the proposed CS for HB 142, Version W.

EMILY NAUMAN

Legislative Legal Services

Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on the proposed CS for HB 142, Version W.

ACTION NARRATIVE

[4:54:48 PM](#)

CHAIR JONATHAN KREISS-TOMKINS called the House State Affairs Standing Committee meeting to order at 4:54 p.m. Representatives Eastman, Tarr, Vance, Claman, and Kreiss-Tomkins were present at the call to order. Representatives Kaufman, Story, and Tarr arrived as the meeting was in progress.

HB 66-ELECTIONS, VOTING, BALLOTS

[Contains discussion of SB 39.]

[4:56:44 PM](#)

CHAIR KREISS-TOMKINS announced that the first order of business would be HOUSE BILL NO. 66, "An Act relating to voting, voter qualifications, and voter registration; relating to poll watchers; relating to absentee ballots and questioned ballots; relating to election worker compensation; and providing for an effective date." [Before the committee, adopted as the working draft on 4/12/22, was the proposed CS, Version 32-LS0322\0, Klein, 3/30/22, "Version O."]

CHAIR KREISS-TOMKINS welcomed invited testimony.

[4:58:24 PM](#)

MATT ROE, Voting Works, explained that Voting Works was a non-partisan non-profit organization that built election software. He stated that the goal of his testimony was to briefly describe what open-source software was and how it applied to election administration. He stated that he would be speaking from his experience implementing open-source software but would not be speaking to the specifics of Voting Works products. He

explained that the "source" in open source referred to source code, which was the set of instructions written by programmers that a computer follows to achieve the desired software behavior. He used an example of source code, which he described as "a complicated recipe for baking a cake," but qualified that for most software the source code was kept secret and available only to the original programmers. By contrast, open-source software had source code that was always available to anyone who wished to see it. Mr. Roe continued his remarks by asserting that much of the software used today (including all major web browsers and much of software that powered the Internet) was open source. He emphasized that the key benefit of open-source technology was transparency. He cited that open-source software was used in almost every industry, including scientific research, financial services, and cybersecurity. He asserted that in the world of election administration, especially when the country was particularly polarized, open-source transparency provided a common ground of facts that could be trusted and verified. He described malicious code that changed votes as an example of a problem that could be dispelled by a technical review of the open-source code. He emphasized the importance of proper security procedures, which should be transparent. He mentioned the public accountability of election officials.

[5:02:37 PM](#)

MR. ROE wanted to discuss how open-source voting systems were used in practice. He asserted that open-source voting systems were used just like any other voting system with well-established practices for certifying, testing, and operating voting equipment. He stated that the only change introduced to the election process by open-source software would be increased transparency and public confidence in the election outcome. He opined that SB 39 represented a non-partisan commitment to increasing the transparency and security of Alaskan elections throughout the entire cycle of the election.

CHAIR KREISS-TOMKINS asked whether Mr. Roe was familiar with the language relating to open-source voting systems in Version O.

MR. ROE answered yes.

CHAIR KREISS-TOMKINS invited him to comment on the provisions in Version O.

[5:06:22 PM](#)

MR. ROE clarified that he was familiar with the original version of HB 66. He offered to read a section of an amendment [to SB 39, the companion bill to HB 66,] that was offered in the Senate Judiciary Standing Committee (SJUD). He indicated his support for the language in Amendment 41 to CSSB 39(JUD), [labeled 32-LS0204\D.59, Klein, 4/20/22], which read:

Sec. 15.20.910. Standards for voting machines and vote tally systems. The director may approve a voting machine or vote tally system for use in an election in the state upon consideration of factors relevant to the administration of state elections. A voting machine or vote tally system must meet the United States Election Assistance Commission's voluntary voting system guidelines and be certified by the commission, use only open-source software technology or commercial off-the-shelf software and firmware, and satisfy the requirements of AS 15.15.032(c).

MR. ROE explained that Amendment 41 continued by defining both "commercial off-the-shelf" and "open-source software technology." He shared his understanding that Amendment 41 was adopted by SJUD.

[5:08:24 PM](#)

REPRESENTATIVE VANCE sought to clarify how open-source software would help improve Alaska's voting system.

MR. ROE clarified that transparency was the key benefit of open-source technology, as it allowed anyone to review the source code of the voting equipment. As a result, he said, the increase in understanding and transparency would increase public confidence in the election outcome, especially in the context of heavy polarization or distrust in the existing voting equipment.

REPRESENTATIVE VANCE asked Mr. Roe to describe, in layman's terms, how the public would access the source code.

MR. ROE said the specific implementation was ultimately up to the Division of Elections (DOE), Office of the Lieutenant Governor. He provided several examples of how other states were providing source code to the public, including GitHub, a website for software development that allowed users to store, manage and view code, as well as track the changes made to that code.

REPRESENTATIVE VANCE asked whether the general public would be able to understand the source code. More specifically, she questioned whether source code was displayed in layman's terms, such as, "There were 350 votes in precinct 1, and 642 votes in precinct 2, and there were 5 question ballots ... [that had to be] recounted."

MR. ROE made a distinction between open-source software and different aspects of a transparent voting system. He explained that a transparent voting system and its implementation should include the ballot count via reports and auditing evidence, which was one layer of transparency. He clarified that sharing the code for public inspection was an additional layer of transparency.

[5:14:38 PM](#)

REPRESENTATIVE STORY asked [which states] were using the open-source technology and what voting equipment was compatible with it.

MR. ROE reported that the Voting Works open-source voting system was being used in five counties in Mississippi. Additionally, Voting Works developed an open-source, post-election auditing tool, named Arlo, which was used in 12 states. In 2016, he said, New Hampshire successfully implemented open-source ballot marking devices statewide. Los Angeles County, he continued, built a voting system, referred to as Voting System for All People, that they planned to open source. Additionally, California allowed counties to pilot open-source voting systems with a certification process. He added that several state legislatures, including New Jersey and Tennessee, had introduced legislation that would require open-source voting technology.

REPRESENTATIVE STORY asked how much the voting machines cost.

MR. ROE reported that the Voting Works open-source voting system was 50 percent of the total cost of ownership relative to a closed-source voting system.

[5:17:45 PM](#)

CHAIR KREISS-TOMKINS inquired about the specific cost of a Voting Works voting machine.

MR. ROE stated that the price of the Voting Works voting machine was posted on the Voting Works website. He reported that a

variety of reports had analyzed the cost of voting equipment in given jurisdictions and found that the price was between \$5,000 and \$10,000.

CHAIR KREISS-TOMKINS asked whether open-source election equipment was on track for federal certification by 2024.

MR. ROE shared that Voting Works planned to federally certify by 2023.

5:20:10 PM

REPRESENTATIVE EASTMAN asked whether the unanswered questions from the previous hearing on Version O had been answered, such as the rationale for the statutory retention requirements [pertaining to election material].

5:20:48 PM

REPRESENTATIVE CHRIS TUCK, Alaska State Legislature, prime sponsor of HB 66, sought to clarify whether Representative Eastman was referring to the retention of ballots.

REPRESENTATIVE EASTMAN clarified that he was referring to the retention of all documents, including ballots.

REPRESENTATIVE TUCK explained that the retention requirements were included in the bill to preserve integrity and ensure that nothing was destroyed until after the election was certified in case questions arose.

REPRESENTATIVE EASTMAN shared his understanding that the current language in Version O reduced the length of retention. He asked whether the bill sponsor would be amiable to an amendment that increased or maintained the current statutory retention requirements.

REPRESENTATIVE TUCK indicated that Version O required election material to be retained for 22 months. He asked whether Representative Eastman was hoping to extend that amount of time.

REPRESENTATIVE EASTMAN pointed out that under current law, the current retention requirement was four years.

REPRESENTATIVE TUCK conveyed that it was a policy call for the committee to make.

CHAIR KREISS-TOMKINS asked whether DOE had any perspective on the length of document retention or the merits of two years versus four years.

[5:23:25 PM](#)

GAIL FENUMIAI, Director, Division of Elections, Office of the Lieutenant Governor, explained that the division retained records according to the state's record retention schedule. She declined to opine on 22 months versus four years.

[5:24:00 PM](#)

REPRESENTATIVE VANCE directed attention to Section 44, Subsection (c), and inquired about the definition of "forensic examination."

REPRESENTATIVE TUCK acknowledged that there was no statutory definition of forensic examination. He suggested replacing the term with "Risk-Limiting Audit (RLA)."

REPRESENTATIVE VANCE pointed out that Section 43, paragraph (5), made reference to a party primary. She asked whether that term was still applicable.

REPRESENTATIVE TUCK confirmed that the language needed to be changed due to the passage of Alaska Ballot Measure 2 [Top-Four Ranked-Choice Voting and Campaign Finance Laws Initiative (2020)]. He shared that Representative Claman was drafting a forthcoming amendment to address the language in question.

REPRESENTATIVE VANCE directed attention to page 19, lines 3-4, and asked why an election official would need access to the political affiliations of all persons.

[5:27:12 PM](#)

MIKE MASON, Staff, Representative Chris Tuck, Alaska State Legislature, on behalf of Representative Tuck, prime sponsor, shared his understanding that the language in question was the subject of an amendment to the companion bill in the Senate [SB 39]. Further, he shared his belief that it would be challenging to exclude a person's political affiliation from the voter records.

[5:27:53 PM](#)

REPRESENTATIVE EASTMAN turned attention to Section 44, Subsection (d), and asked why a precinct tabulator needs to connect to the Internet 24 hours before the polls open on election day. He suggested prohibiting Internet connectivity entirely.

REPRESENTATIVE TUCK explained that precinct tabulators require internet connection to be tested and checked prior to the election to confirm their ability to function properly.

REPRESENTATIVE EASTMAN asked whether it was necessary to access the tabulators remotely ahead of time to test them.

REPRESENTATIVE TUCK answered yes, to ensure that they work properly. He directed the question to Ms. Fenumiai.

MS. FENUMIAI asserted that Representative Eastman was referring to the logic and accuracy testing, which was performed in the division's regional offices prior to field deployment. She clarified that they are not connected to the Internet when voting occurs.

[5:30:41 PM](#)

REPRESENTATIVE EASTMAN asked why the tabulators needed the capability of connecting to the Internet.

MS. FENUMIAI stated that the Internet connection allowed the tabulators to transmit the election results in a timely manner.

REPRESENTATIVE EASTMAN pointed out that per Section 44, Subsection (d), the tabulators could not be connected to the Internet from 24 hours before the polls open on election day until 14 days after the polls close. He asked whether there was another rationale for connecting the tabulators to the Internet or a cellular network.

MS. FENUMIAI described how the tabulators were briefly connected to the Internet to transmit the election results following poll closure. She added that, should the bill pass in its current form, the division would need to find a different method to collect the results from the majority of the precincts that relied on an analogue or cellular network to transmit results.

MR. MASON pointed out that the language in question was not included in the original version of the bill. He explained that it was added in an effort to compromise with the Senate version

of the bill. He directed attention to the following sentence in Subsection (d), which specified that "all tabulator data shall be loaded from the tabulator onto a separate storage device and transmitted from a computer that is not connected to the tabulator."

[5:33:22 PM](#)

REPRESENTATIVE EASTMAN suggested removing the ability to connect to the Internet entirely, as the connection would not be used to transmit results.

MR. MASON pointed out that removing the connectivity entirely would preclude the ability to update or fix the open-source software on the tabulator.

REPRESENTATIVE EASTMAN asked whether the software could be updated with CD-Rom or USB.

CHAIR KREISS-TOMKINS suggested that Representative Eastman draft an amendment to address his concerns.

[5:35:12 PM](#)

REPRESENTATIVE STORY questioned whether two days post-election was sufficient time for the director to send notifications of deficient ballots for the curing process. She shared her understanding that [SB 39] was amended to include a five-day deadline and inquired about the rationale for the expanded timeline [in the Senate].

REPRESENTATIVE TUCK expressed his support for the ballot curing process. He deferred to Ms. Fenumiai.

MS. FENUMIAI was unsure why the Senate made that change. She opined that any curing process put into statute should allow for the maximum amount of time possible.

[5:37:43 PM](#)

REPRESENTATIVE STORY asked whether the division was amenable to five days post-election, as opposed to two days. She opined that five days seemed more reasonable.

MS. FENUMIAI agreed that more time would be favorable.

[5:39:45 PM](#)

REPRESENTATIVE TARR expressed her concern about the language, "the director shall immediately make a reasonable effort to contact the voter", on page 19, lines 17-18. She suggested that "reasonable effort" needed further clarification.

MR. MASON highlighted that the ballot curing sections [Section 41 and Section 42] mirrored provisions in Governor Dunleavy's election bill. He explained that the original version of HB 66 included a more lenient [ballot curing] system that utilized an affidavit.

REPRESENTATIVE TARR, in response to a follow-up question from Representative Tuck, opined that "reasonable effort" was ambiguous and could be challenged. Additionally, she agreed with Representative Story's suggestion of increasing the two-day time period. She went on to address the minimum pay for election workers. She expressed her support for raising their pay to \$15.50; however, she wondered whether the prescriptiveness of the language would prevent election workers from being paid more than \$15.50

MR. MASON recalled the drafting process of the original version of HB 66, indicating that the intent was to reflect DOE's processes during the 2020 election. He opined that the language would not restrict election workers from being paid more than the minimum amount. Further, he suggested tying the pay scale to a step above minimum wage, to ensure that their wages would be adjusted annually for inflation.

[5:45:06 PM](#)

REPRESENTATIVE TARR asked the director to weigh in on the pay scale and the difficulty of attracting employees.

MS. FENUMIAI understood the language [in Section 53] to mean that the division shall pay not less than \$15.50. Nonetheless, she acknowledged that by cementing an arbitrary number in statute, the division would have less flexibility to make pay increases. She believed that it would be easier to keep rates of pay in regulation, as opposed to statute, and adjust them accordingly with the budget increases provided by the legislature. She noted that DOE had submitted a budget request to increase election worker compensation to \$20 per hour for precinct workers, which would require amending the regulations to accommodate the new rates of pay if passed.

REPRESENTATIVE TARR pointed out that the statutory language in Version O, should it pass, would supersede the regulatory pay increase; therefore, the division's plan for the upcoming election would be impacted.

MS. FENUMIAI confirmed. She maintained her belief that keeping the pay scale in regulation would provide the division with more flexibility to increase pay, which was much needed, she opined.

REPRESENTATIVE TARR asked whether Ms. Fenumiai would prefer that the minimum compensation for election workers exist in statute, as written in Version O, or that the pay scale remain a regulatory item.

MS. FENUMIAI suggested that the word "minimum" could lead to speculation about pay increases. Additionally, she asserted that pay increases were a budgetary concern, as raising the minimum pay from \$12.50 an hour to [\$15.50] was a substantial increase for the division.

[5:48:49 PM](#)

REPRESENTATIVE KAUFMAN returned attention to Section 44 and asked how a person would identify whether a precinct tabulator was connected to a cellular network.

MS. FENUMIAI explained that the current precinct tabulators were not equipped with an internal mechanism to connect to the Internet, adding that they used an external modem to connect. She said if the bill were to pass, the precincts would not be provided with the external modems to attach to the tabulators.

REPRESENTATIVE KAUFMAN pondered strengthening the language to clarify that modem connections were not permissible. He asked whether that would create a hardship for the division.

MS. FENUMIAI offered to follow up with the requested information.

[5:50:28 PM](#)

REPRESENTATIVE KAUFMAN directed attention to Section 44, subsections (d) and (e), and asked whether there were safeguards against someone accessing the computer [that the storage device connects to].

MS. FENUMIAI conveyed that Alaska remained a paper-based ballot system, which in itself was a safeguard. She emphasized that the machines underwent logic and accuracy testing conducted by bipartisan boards before each election. Additionally, the machines were sealed with security seals, which were not broken for any reason.

[5:52:28 PM](#)

REPRESENTATIVE VANCE asked whether myAlaska had the capacity to [send notifications to voters]. She suggested implementing a notification system that could be used for tracking and curing ballots.

MS. FENUMIAI said she was unfamiliar with innerworkings of myAlaska. She added that currently, DOE did not use the website for anything. She conveyed that Ballot Trax would be used for the upcoming special election, which had the ability to notify voters who had opted in of the need for a cure.

REPRESENTATIVE VANCE requested additional information on Ballot Trax.

MS. FENUMIAI offered to follow up with the requested information.

[5:56:03 PM](#)

REPRESENTATIVE KAUFMAN sought to confirm that voters were purged from the voter roll after failing to vote for four consecutive years.

REPRESENTATIVE TUCK deferred to Ms. Fenumiai.

MS. FENUMIAI remarked that the list maintenance procedure involved a "lookback" of two years. She stated that a voter remained on the roll for two federal general election cycles, or four years, past the point of inactivity.

REPRESENTATIVE KAUFMAN asked Ms. Fenumiai to opine on [Risk-Limiting Audits (RLAs)] and whether they offered a valid method for verifying the accuracy of the system.

MS. FENUMIAI declined to comment at this time.

REPRESENTATIVE KAUFMAN asked whether she would feel comfortable sharing her opinion on that subject in the future.

MS. FENUMIAI believed that it was a policy call for the legislature. She added that the division would carry out the statute as directed.

REPRESENTATIVE KAUFMAN asked whether the director would advise the legislature upon the discovery of any gaps or flaws in the auditing system.

MS. FENUMIAI remarked that it was not the director's role to advise the legislature on those decisions. She reiterated that she had not read through the proposed auditing provisions in great detail; nonetheless, she acquiesced that if directed to do so, the division would comply.

[5:59:06 PM](#)

MR. MASON noted that Mr. Roe was available to speak to RLAs.

REPRESENTATIVE KAUFMAN asked whether RLAs could be trusted and whether they were "the best way to go" in regard to the auditing process.

MR. ROE stated that all post-election audits, including RLAs, were important tools in addition to open-source voting equipment. Ultimately, he said, building secure systems included multiple layers of protection.

REPRESENTATIVE KAUFMAN asked whether Version 0 required the renewal of absentee ballot requests each election cycle.

REPRESENTATIVE TUCK explained that after requesting an absentee ballot, the voter could continue to vote absentee until he/she missed two election cycles, in which case the voter would need to reapply. He emphasized that permanent absentee voting was optional.

REPRESENTATIVE KAUFMAN shared his belief the requiring voters to request an absentee ballot annually would act as a "failsafe" against unused ballots being sent out into "the ether."

REPRESENTATIVE TUCK said permanent absentee voting was a policy call. Nonetheless, he pointed out that absentee voting made it more convenient for senior citizens, disabled people, and those living in rural Alaska. He conveyed that the idea was to capitalize on the success of the [2020] election, which saw over 60 percent statewide participation due to the the convenience of

by-mail voting. He added that he opposed the idea of requiring voters to reapply for absentee ballots on an annual basis.

[6:04:35 PM](#)

CHAIR KREISS-TOMKINS announced that the proposed CS for HB 66, Version O, was held over.

HB 142-PFD ELIGIBILITY

[6:06:07 PM](#)

CHAIR KREISS-TOMKINS announced that the next order of business would be HOUSE BILL NO. 142, "An Act relating to eligibility for the permanent fund dividend." [Before the committee, adopted as the working draft on 4/12/22, was the proposed CS for HB 142, Version 32-LS0491\W, Nauman, 3/28/22, "Version W."]

[6:06:44 PM](#)

CHAIR KREISS-TOMKINS withdrew Amendment 1 to Version W, [labeled 32-LS0491\W.1, Nauman, 3/29/22], which was tabled during the hearing on 4/12/22.

[6:07:38 PM](#)

REPRESENTATIVE EASTMAN moved to adopted Amendment 3 to Version W, labeled 32-LS0491\W.3, Nauman, 3/29/22, which read:

Page 2, lines 19 - 20:

Delete ", as determined by the Alaska Commission on Postsecondary Education,"

Insert "[, AS DETERMINED BY THE ALASKA COMMISSION ON POSTSECONDARY EDUCATION,]"

Page 4, line 10:

Delete ", applies"

Insert "and AS 43.23.008(a), as amended by sec. 2 of this Act, apply"

[The committee treated the amendment as though it had not been previously moved and tabled during the hearing on 4/12/22.]

CHAIR KREISS-TOMKINS objected. He invited Ms. Efrid to comment on the proposed amendment.

[6:08:07 PM](#)

SANA EFRID, Executive Director, Alaska Commission on Postsecondary Education (ACPE), said ACPE had no official position on Amendment 3. Additionally, she directed attention to Section 2, paragraph (2), confirming that ACPE had a process in place for determining whether a comparable program was reasonably available in the state for vocational, professional, or other educational programs. She emphasized that the commission followed the statute as directed by the legislature.

CHAIR KREISS-TOMKINS maintained his objection to Amendment 3.

REPRESENTATIVE EASTMAN suggested that it was a question of whether that task should be the responsibility of ACPE. He indicated that he was undecided and would leave it to the will of the committee.

[6:11:16 PM](#)

A roll call vote was taken. No representatives voted in favor of the motion to adopt Amendment 3. Representatives Tarr, Story, Claman, Vance, Kaufman, Eastman, and Kreiss-Tomkins voted against it. Therefore, Amendment 3 failed by a vote of 0-6.

[6:12:01 PM](#)

REPRESENTATIVE EASTMAN moved to adopt Amendment 4 to Version W, labeled 32-LS0491\W.4, Nauman, 3/29/22, which read:

Page 2, line 23:

Delete "armed forces"

Insert "**uniformed services** [ARMED FORCES]"

Page 4, following line 7:

Insert a new bill section to read:

"* **Sec. 3.** AS 43.23.008(f) is amended to read:

(f) **In** [FOR PURPOSES OF (a)(7) OF] this section,

(1) "family member" means a person who is

(A) [(1)] legally related to the individual through marriage or guardianship; or

(B) [(2)] the individual's sibling, parent, grandparent, son, daughter, grandson, granddaughter, uncle, aunt, niece, nephew, or first cousin;

(2) "uniformed service" means the Army, Navy, Air Force, Marine Corps, Coast Guard, Space Force, and the Commissioned Corps of the National

Oceanic and Atmospheric Administration and Public Health Services."

Renumber the following bill sections accordingly.

Page 4, line 10:

Delete "applies"

Insert "AS 43.23.008(a), as amended by sec. 2 of this Act, and AS 43.23.008(f), as amended by sec. 3 of this Act, apply"

[The committee treated the amendment as though it had not been previously moved and tabled during the hearing on 4/12/22.]

CHAIR KREISS-TOMKINS objected. He recalled that Amendment 4 was tabled due to questions regarding what constituted deployment for the Commissioned Corps of the National Oceanic and Atmospheric Administration (NOAA) and Public Health Services. He asked whether Representative Story or Representative Eastman, who both offered to follow up on the matter, had any information for the committee's consideration.

[6:12:40 PM](#)

REPRESENTATIVE STORY relayed that the members of Public Health Services Commissioned Corps were "stationed somewhere and could then be deployed for emergencies or any other reason, which is similar to how it worked for members of the armed forces." She reported that members of the NOAA Commissioned Officer Corps were assigned to ships or shore locations and must go there to remain in the service.

REPRESENTATIVE EASTMAN shared his understanding that the different branches of the uniformed services were "not all created equal." He pointed out that he had attempted to capture similar language in several forthcoming amendments. He expressed his hope that the committee would settle on the most comprehensive language.

CHAIR KREISS-TOMKINS noted that he was more comfortable with the language in Amendment 4. He invited Representative McCarty to comment on the proposed amendment.

[6:15:08 PM](#)

REPRESENTATIVE KEN MCCARTY, Alaska State Legislature, prime sponsor of HB 142, indicated that it was a policy at the committee's discretion.

CHAIR KREISS-TOMKINS removed his objection to Amendment 4. There being no further objection, Amendment 4 was adopted.

[6:16:28 PM](#)

CHAIR KREISS-TOMKINS moved to adopt Amendment 6 to Version W, labeled 32-LS0491\W.6, Nauman, 3/29/22, which read:

Page 4, following line 7:

Insert a new bill section to read:

"* **Sec. 3.** AS 43.23.008(d) is amended to read:

(d) if [AFTER] an individual has been absent from the state, including for a reason allowed under (a) of this section, for more than 120 [180] days in each of the five preceding qualifying years, the department shall presume that the individual is no longer eligible for a dividend [A STATE RESIDENT. THE INDIVIDUAL MAY REBUT THIS PRESUMPTION BY PROVIDING CLEAR AND CONVINCING EVIDENCE TO THE DEPARTMENT THAT

(1) THE INDIVIDUAL WAS PHYSICALLY PRESENT IN THE STATE FOR AT LEAST 30 CUMULATIVE DAYS DURING THE PAST FIVE YEARS; AND

(2) THE INDIVIDUAL IS A STATE RESIDENT AS DEFINED IN AS 43.23.295]."

Renumber the following bill sections accordingly.

Page 4, line 10, following "APPLICABILITY.":

Insert "(a)"

Page 4, following line 11:

Insert "(b) AS 43.23.008(d), as amended by sec. 3 of this Act, applies to the permanent fund dividend 2028 qualifying year for the 2029 dividend year, and thereafter.

* **Sec. 5.** Section 3 of this Act takes effect January 1, 2028."

Renumber the following bill section accordingly.

Page 4, line 12:

Delete "This"

Insert "Except as provided in sec. 5 of this Act,
this"

REPRESENTATIVE CLAMAN objected for the purpose of discussion.

CHAIR KREISS-TOMKINS explained that Amendment 6 changed the allowable absence exemption from 180 days to 120 days and removed the rebuttable presumption. However, after further discussion with the Permanent Fund Dividend Division, Department of Revenue (DOR), he decided to amend the amendment. He moved Conceptual Amendment 1 to Amendment 6, such that the figure "120" on page 1, line 5, of the proposed amendment, would be replaced with "180", effectively returning the allowable absence threshold back the original language, as it exists under current law.

REPRESENTATIVE EASTMAN objected. He questioned how the proposed amendment would change the bill if Conceptual Amendment 1 to Amendment 6 were to pass.

[6:17:25 PM](#)

CHAIR KREISS-TOMKINS explained that, should the conceptual amendment pass, Amendment 6 would remove the rebuttable presumption. The amendment would no longer change the allowable absence threshold from 180 days to 120 days.

REPRESENTATIVE EASTMAN removed his objection to the motion to adopt the conceptual amendment. There being no further objection, Conceptual Amendment 1 to Amendment 6 was adopted.

[6:17:59 PM](#)

CHAIR KREISS-TOMKINS, in response to a question from Representative Claman, explained that by removing the rebuttable presumption, a person who failed to meet the minimum residency thresholds could no longer collect a permanent fund dividend (PFD) after the 5-year time period.

[6:19:35 PM](#)

REPRESENTATIVE EASTMAN asked whether an individual serving in Alaska's federal delegation, such as Congressman Young, who spent the majority of his time in Washington DC, would no longer be allowed to collect a dividend.

CHAIR KREISS-TOMKINS punted the question to Mr. Bigelow. Additionally, he asked Mr. Bigelow to restate the effect of Amendment 6.

[6:21:13 PM](#)

COREY BIGELOW, Operations Manager, Permanent Fund Dividend Division, DOR, explained that Amendment 6, as conceptually amended, removed the rebuttable presumption, making it so individuals who had been allowably absent for greater than 180 days could no longer rebut the presumption. In other words, those individuals could no longer provide a reason that showed their intent to remain Alaskan indefinitely.

CHAIR KREISS-TOMKINS asked Mr. Bigelow to respond to the scenario posed by Representative Eastman.

MR. BIGELOW said he was unsure whether Amendment 6 would remove a congressman from collecting his/her PFD after five years. He offered to follow up with the requested information.

CHAIR KREISS-TOMKINS asked Ms. Nauman to speak to the same question.

[6:23:20 PM](#)

EMILY NAUMAN, Legislative Legal Services, confirmed that Alaska's federal delegation would no longer be eligible for a dividend if they were absent from the state for longer than 180 days, or 5 consecutive years.

[6:24:31 PM](#)

REPRESENTATIVE MCCARTY pointed out that Section 2, paragraph (9), of Version W allowed otherwise eligible individuals who were absent from the state during the qualifying year to remain eligible for the PFD if they were serving as a member of the United States Congress.

CHAIR KREISS-TOMKINS clarified that after five years of claiming allowable absences in statute, including the absence referenced by Representative McCarty, Amendment 6 would no longer allow those individuals to retain their PFD eligibility. He asked Ms. Nauman if that was correct.

MS. NAUMAN answered yes. She reiterated that if Amendment 6 were to pass, individuals who were absent from the state for

over 180 days would no longer be eligible for a dividend even if they claimed an allowable absence.

CHAIR KREISS-TOMKINS withdrew Amendment 6.

[6:26:05 PM](#)

REPRESENTATIVE STORY withdrew Amendment 7.

[6:26:18 PM](#)

REPRESENTATIVE EASTMAN moved to adopt Amendment 8 to Version W, labeled 32-LS0491\W.10, Nauman, 3/31/22, which read:

Page 1, lines 10 - 11:
Delete "168 [72] consecutive"
Insert "120 [72 CONSECUTIVE]"

CHAIR KREISS-TOMKINS objected.

[6:26:25 PM](#)

REPRESENTATIVE EASTMAN stated that Amendment 8 changed "168 consecutive" to "120" on page 1, lines 10-11 of Version W. He explained that it would reduce the required threshold of physical presence in Alaska in order to collect a PFD. Additionally, he pointed out that the proposed amendment would remove the requirement that the hours be consecutive.

CHAIR KREISS-TOMKINS asked Mr. Bigelow whether the division had an opinion on Amendment 8.

[6:28:01 PM](#)

MR. BIGELOW said the proposed amendment would create some complexities for the both the division and Alaskans in terms of providing documentation that showed they were in the state during that time.

REPRESENTATIVE MCCARTY said he had no comments on Amendment 8.

CHAIR KREISS-TOMKINS maintained his objection.

[6:29:03 PM](#)

A roll call vote was taken. Representatives Eastman, Vance, and Kaufman voted in favor of the motion to adopt Amendment 8.

Representatives Tarr, Story, Claman, and Kreiss-Tomkins voted against it. Therefore, Amendment 8 failed by a vote of 3-4.

[6:29:36 PM](#)

REPRESENTATIVE EASTMAN moved to adopt Amendment 9 to Version W, labeled 32-LS0491\W.11, Nauman, 4/1/22, which read:

Page 2, line 7:
Delete "and"
Insert "[AND]"

Page 2, line 11, following "compliance":
Insert "; and
(8) did not register to vote or vote in another state or a jurisdiction outside the state during the qualifying year"

CHAIR KREISS-TOMKINS objected.

[6:29:58 PM](#)

REPRESENTATIVE EASTMAN explained that Amendment 9 clarified that any person who registered to vote outside Alaska during the qualifying year would not be eligible to receive a PFD.

[6:30:50 PM](#)

MR. BIGELOW noted that the proposed amendment would require the addition of a new section to the dividend application.

CHAIR KREISS-TOMKINS asked him whether a similar question already existed on the application.

MR. BIGELOW confirmed that there was a question on the PFD application that asked whether the applicant had voted or registered to vote in another state or country. The language, he said, was used in determining allowable absences and eligibility whereas the new language would need to be added as a standalone question that would help identify the need for a residency-severing action.

CHAIR KREISS-TOMKINS inquired about the implication of answering the existing application question in the affirmative.

MR. BIGELOW answered, "An attestation to their U.S. citizenship and automatic voter registration."

CHAIR KREISS-TOMKINS invited the bill sponsor to comment on Amendment 9.

REPRESENTATIVE MCCARTY said he had no comment.

[6:33:17 PM](#)

REPRESENTATIVE CLAMAN returning to the previous line of questioning, asked Mr. Bigelow to read the question on the existing PFD application regarding voting in another jurisdiction.

MR. BIGELOW said he did not have the application in front of him.

REPRESENTATIVE CLAMAN moved to table Amendment 9 to allow the division time to respond. There being no objection, it was so ordered.

[6:34:29 PM](#)

REPRESENTATIVE EASTMAN moved to adopt Amendment 10 to Version W, labeled 32-LS0491\W.9, Nauman, 4/2/22, which read:

Page 1, line 10, following "has":
Insert "(A)"

Page 1, line 13, following "AS 43.23.008"
Insert "; or
(B) maintained a driver's license issued
under AS 28.15.111 as follows:
(i) if the individual is 18 years of age or
older, the two calendar years before the qualifying
year; or
(ii) if the individual is under 18 years of
age, the difference between the individual's age and
16"

CHAIR KREISS-TOMKINS objected.

[6:34:36 PM](#)

REPRESENTATIVE EASTMAN explained that Amendment 10 specified that maintaining [an Alaskan] driver's license was indicative of a person's intent of remaining an Alaskan resident. He remarked, "The implication being if you haven't maintained a

driver's license and you're old enough to have a driver's license and you, for example, have a driver's license from another state, then you would not be eligible to receive a dividend."

REPRESENTATIVE MCCARTY pointed out that not all Alaskans have a driver's license; therefore, Amendment 10 would alienate certain residents. He characterized the proposal as a "slippery slope."

REPRESENTATIVE STORY spoke in opposition to Amendment 10, as it would alienate senior citizens and people with disabilities.

[6:36:12 PM](#)

REPRESENTATIVE VANCE asked whether maintaining an Alaskan identification (ID) card was required for PFD eligibility.

MR. BIGELOW said it was not a requirement.

CHAIR KREISS-TOMKINS maintained his objection for the reasons specified by Representative Story.

[6:37:35 PM](#)

REPRESENTATIVE EASTMAN withdrew Amendment 10.

[6:38:21 PM](#)

REPRESENTATIVE EASTMAN [moved to adopt Amendment 11 to Version W, labeled 32-LS0491\W.12, Nauman, 4/1/22]. He explained that the only pertinent difference between Amendment 4 and the proposed amendment was the deletion of "on active duty." Amendment 11 read as follows:

Page 2, line 23:

Delete "on active duty"

Insert "[ON ACTIVE DUTY]"

Delete "armed forces"

Insert "uniformed services [ARMED FORCES]"

Page 4, following line 7:

Insert a new bill section to read:

"* **Sec. 3.** AS 43.23.008(f) is amended to read:

(f) In [FOR PURPOSES OF (a)(7) OF] this section,

(1) "family member" means a person who is

(A) [(1)] legally related to the individual through marriage or guardianship; or

(B) [(2)] the individual's sibling, parent, grandparent, son, daughter, grandson, granddaughter, uncle, aunt, niece, nephew, or first cousin;

(2) "uniformed service" means the Army, Navy, Air Force, Marine Corps, Coast Guard, Space Force, and the Commissioned Corps of the National Oceanic and Atmospheric Administration and Public Health Services."

Renumber the following bill sections accordingly.

Page 4, line 10:

Delete "applies"

Insert "AS 43.23.008(a), as amended by sec. 2 of this Act, and AS 43.23.008(f), as amended by sec. 3 of this Act, apply"

CHAIR KREISS-TOMKINS objected.

[6:39:30 PM](#)

REPRESENTATIVE CLAMAN, as a point of order, characterized Amendment 11 as dilatory, as the committee had already adopted Amendment 4. He recommended that the committee vote on the proposed amendment without further discussion.

REPRESENTATIVE EASTMAN withdrew Amendment 11.

[6:40:42 PM](#)

REPRESENTATIVE EASTMAN moved to adopt Amendment 12 to Version W, labeled 32-LS0491\W.13, Nauman, 3/31/22, which read:

Page 2, line 23:

Delete "armed forces"

Insert "uniformed services [ARMED FORCES]"

Page 4, following line 7:

Insert a new bill section to read:

*** Sec. 3.** AS 43.23.008(f) is amended to read:

(f) In [FOR PURPOSES OF (a)(7) OF] this section,
(1) "family member" means a person who is
(A) [(1)] legally related to the individual through marriage or guardianship; or

(B) [(2)] the individual's sibling, parent, grandparent, son, daughter, grandson, granddaughter, uncle, aunt, niece, nephew, or first cousin;

(2) "uniformed service" means the Army, Navy, Air Force, Marine Corps, Coast Guard, Space Force, the Commissioned Corps of the National Oceanic and Atmospheric Administration and Public Health Services, the Alaska National Guard, and the Alaska Naval Militia."

Renumber the following bill sections accordingly.

Page 4, line 10:

Delete "applies"

Insert "AS 43.23.008(a), as amended by sec. 2 of this Act, and AS 43.23.008(f), as amended by sec. 3 of this Act, apply"

CHAIR KREISS-TOMKINS objected.

REPRESENTATIVE EASTMAN indicated that Amendment 12 would include members of the Alaska National Guard and the Alaska Naval Militia in the definition of "uniformed service."

CHAIR KREISS-TOMKINS asked whether Representative Eastman had any knowledge of an individual who was denied eligibility based on their membership in the Alaska National Guard or Alaska Naval Militia.

REPRESENTATIVE EASTMAN answered no. He stated that his intent was to recognize their service.

[6:42:32 PM](#)

CHAIR KREISS-TOMKINS remarked, "I think that there's a lot of theoretical instances that are very redeemable of why we'd want to allow someone to be absent, I guess it's just without affirmative knowledge that these circumstances exist ..."

REPRESENTATIVE EASTMAN interjected and shared several examples. He opined that all state service should be considered.

[6:44:16 PM](#)

REPRESENTATIVE MCCARTY, after discussing the question with the Alaska National Guard, pointed out that if a member of the Alaska National Guard or the Alaska Naval Militia was "called up" they would transition to active-duty status, which was already captured in the bill language under allowable absences.

REPRESENTATIVE EASTMAN speculated that the National Guard was referring to active-duty state service, whereas the statute referred to active-duty federal service.

CHAIR KREISS-TOMKINS maintained his objection.

REPRESENTATIVE EASTMAN withdrew Amendment 12.

[6:45:43 PM](#)

REPRESENTATIVE EASTMAN moved to adopt Amendment 13 to Version W, labeled 32-LS0491\W.14, Nauman, 4/2/22, which read:

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

Insert "**relating to a permanent fund dividend for an individual whose conviction has been vacated or reversed, or who has received a pardon for the conviction**;"

Page 2, following line 11:

Insert a new bill section to read:

"* **Sec. 2.** AS 43.23.005 is amended by adding new subsections to read:

(i) An individual who was ineligible to receive a permanent fund dividend for a dividend year under (d) of this section because of a conviction is eligible to receive the permanent fund dividend for each year the individual was ineligible if

(1) the individual's conviction is vacated or reversed, and

(A) the charges on which the conviction was based are later dismissed; or

(B) the individual is retried and found not guilty; or

(2) the individual receives a pardon for the conviction.

(j) To receive a permanent fund dividend under (i) of this section, the individual shall apply for the permanent fund dividend not later than two years after the dismissal, not guilty finding, or pardon under (i) of this section."

Renumber the following bill sections accordingly.

Page 4, following line 7:

Insert new bill sections to read:

"* **Sec. 4.** AS 43.23.025(a) is amended to read:

(a) By October 1 of each year, the commissioner shall determine the value of each permanent fund dividend for that year by

(1) determining the total amount available for dividend payments, which equals

(A) the amount of income of the Alaska permanent fund transferred to the dividend fund under AS 37.13.145(b) during the current year;

(B) plus the unexpended and unobligated balances of prior fiscal year appropriations that lapse into the dividend fund under AS 43.23.045(d);

(C) less the amount necessary to pay prior year dividends from the dividend fund in the current year under AS 43.23.005(h) and (i), 43.23.021, and 43.23.055(3) and (7);

(D) less the amount necessary to pay dividends from the dividend fund due to eligible applicants who, as determined by the department, filed for a previous year's dividend by the filing deadline but who were not included in a previous year's dividend computation;

(E) less appropriations from the dividend fund during the current year, including amounts to pay costs of administering the dividend program and the hold harmless provisions of AS 43.23.240;

(2) determining the number of individuals eligible to receive a dividend payment for the current year and the number of estates and successors eligible to receive a dividend payment for the current year under AS 43.23.005(h); and

(3) dividing the amount determined under (1) of this subsection by the amount determined under (2) of this subsection.

* **Sec. 5.** AS 43.23.048(a) is amended to read:

(a) The restorative justice account is created as a separate account in the dividend fund. The commissioner shall transfer from the dividend fund to the restorative justice account each fiscal year an amount equal to the amount that would have been paid during the previous fiscal year to individuals who were ineligible to receive dividends under AS 43.23.005(d) if they had been eligible. The commissioner may not adjust the amount transferred under this section for prior year dividends paid under AS 43.23.005(i)."

Renumber the following bill sections accordingly.

Page 4, line 10, following "APPLICABILITY":
Insert "(a)"

Page 4, following line 11:

Insert new subsections to read:

"(b) AS 43.23.005(j), added by sec. 2 of this Act, applies to an individual who is eligible under AS 43.23.005(i), added by sec. 2 of this Act, and whose dismissal, not guilty finding, or pardon occurred on or after the effective date of this Act.

(c) AS 43.23.048(a), as amended by sec. 5 of this Act, applies to transfers made by the commissioner on or after the effective date of this Act."

REPRESENTATIVE CLAMAN objected.

[6:45:48 PM](#)

REPRESENTATIVE EASTMAN described that Amendment 13 related to PFD eligibility for an individual whose conviction had been vacated or reversed, or who had received a pardon for the conviction.

REPRESENTATIVE MCCARTY pointed out that the proposed amendment appeared to be unrelated to the military or uniformed services, which was the focus of the bill.

CHAIR KREISS-TOMKINS asked Mr. Bigelow for the division's perspective on Amendment 13.

MR. BIGELOW said it would be a policy consideration for the committee. He stated that the proposed amendment would create uncertainty for the division in terms of calculating the formula based on the unknown number of potential applicants in any given year. Additionally, he pointed out that the division retained records for 21 years. He questioned what would happen if a conviction were overturned after 21 years.

[6:48:56 PM](#)

REPRESENTATIVE CLAMAN maintained his objection.

REPRESENTATIVE EASTMAN maintained his belief that "pardoned" individuals should be eligible for lost dividends.

[6:49:35 PM](#)

A roll call vote was taken. Representatives Kaufman, Eastman, and Tarr voted in favor of the motion to adopt Amendment 13. Representatives Story, Claman, Vance, and Kreiss-Tomkins voted against it. Therefore, Amendment 13 failed by a vote of 3-4.

[6:50:19 PM](#)

REPRESENTATIVE EASTMAN moved to adopt Amendment 14 to Version W, labeled 32-LS0491\W.15, Nauman, 4/4/22, which read:

Page 2, following line 11:

Insert a new bill section to read:

"* Sec. 2. AS 43.23.005 is amended by adding new subsections to read:

(i) An individual who was ineligible to receive a permanent fund dividend for a dividend year under (a)(6) of this section because the individual was not physically present in the state is eligible to receive the permanent fund dividend for each year the individual was ineligible if the individual

(1) was absent from the state to serve in the uniformed service and the service does not qualify as an absence allowed under AS 43.23.008(a)(3); in this subsection, "uniformed service" has the meaning given in AS 43.23.008(f); and

(2) within one year after the completion of service under (1) of this subsection, returns to the state with the intent to remain indefinitely.

(j) To receive a permanent fund dividend under (i) of this section, the individual shall apply for the permanent fund dividend not later than one year after returning to the state under (i)(2) of this section."

Re-number the following bill sections accordingly.

Page 2, line 23:

Delete "armed forces"

Insert "uniformed services [ARMED FORCES]"

Page 4, following line 7:

Insert new bill sections to read:

"* Sec. 4. AS 43.23.008(b) is amended to read:

(b) An individual may not claim an allowable absence under

(1) paragraph (a)(1), (2), or (4) - (16)
[(a)(1) - (16)] of this section unless the individual was a resident of the state for at least six consecutive months immediately before leaving the state;

(2) paragraph (a)(3) of this section unless the individual, during the qualifying year, was
(A) a resident of the state; and
(B) physically present in the state for at least 180 days.

* Sec. 5. AS 43.23.008(f) is amended to read:

(f) In [FOR PURPOSES OF (a)(7) OF] this section,
(1) "family member" means a person who is
(A) [(1)] legally related to the individual through marriage or guardianship; or

(B) [(2)] the individual's sibling, parent, grandparent, son, daughter, grandson, granddaughter, uncle, aunt, niece, nephew, or first cousin;

(2) "uniformed service" means the Army, Navy, Air Force, Marine Corps, Coast Guard, Space Force, and the Commissioned Corps of the National Oceanic and Atmospheric Administration and Public Health Services.

* Sec. 6. AS 43.23.025(a) is amended to read:

(a) By October 1 of each year, the commissioner shall determine the value of each permanent fund dividend for that year by

(1) determining the total amount available for dividend payments, which equals

(A) the amount of income of the Alaska permanent fund transferred to the dividend fund under AS 37.13.145(b) during the current year;

(B) plus the unexpended and unobligated balances of prior fiscal year appropriations that lapse into the dividend fund under AS 43.23.045(d);

(C) less the amount necessary to pay prior year dividends from the dividend fund in the current year under AS 43.23.005(h) and (i), 43.23.021, and 43.23.055(3) and (7);

(D) less the amount necessary to pay dividends from the dividend fund due to eligible applicants who, as determined by the department, filed for a previous year's dividend by the filing deadline but who were not included in a previous year's dividend computation;

(E) less appropriations from the dividend fund during the current year, including amounts to pay

costs of administering the dividend program and the hold harmless provisions of AS 43.23.240;

(2) determining the number of individuals eligible to receive a dividend payment for the current year and the number of estates and successors eligible to receive a dividend payment for the current year under AS 43.23.005(h); and

(3) dividing the amount determined under (1) of this subsection by the amount determined under (2) of this subsection."

Renumber the following bill sections accordingly.

Page 4, line 10:

Following "APPLICABILITY.":

Insert "(a)"

Delete "applies"

Insert "AS 43.23.008(a), as amended by sec. 3 of this Act, AS 43.23.008(b), as amended by sec. 4 of this Act, and AS 43.23.008(f), as amended by sec. 5 of this Act, apply"

Page 4, following line 11:

Insert a new subsection to read:

"(b) AS 43.23.005(j), added by sec. 2 of this Act, applies to an individual who is eligible under AS 43.23.005(i), added by sec. 2 of this Act, and whose absence from the state began on or after the effective date of this Act."

CHAIR KREISS-TOMKINS objected.

[6:50:26 PM](#)

REPRESENTATIVE EASTMAN explained that Amendment 14 would allow members of the uniformed services who had left the state to reclaim eligibility if they returned to Alaska with the intent to remain indefinitely within one year after completion of their service.

REPRESENTATIVE MCCARTY expressed concern about the proposed amendment.

CHAIR KREISS-TOMKINS maintained his objection.

[6:52:50 PM](#)

REPRESENTATIVE EASTMAN reiterated that the proposed amendment would allow Alaskans who had completed their service to collect a dividend if they returned to the state. He opined that Alaskans who served their state should be eligible for a PFD.

CHAIR KREISS-TOMKINS sought to confirm that Amendment 14 related to backpay specifically.

REPRESENTATIVE EASTMAN nodded in the affirmative.

REPRESENTATIVE STORY asked whether Representative Eastman's intent was to allow the applicable individuals to receive backpay from prior years.

REPRESENTATIVE EASTMAN answered yes. He remarked:

Going forward, you would not be eligible to apply while you're away, because you're no longer eligible, but if later, within the timeframe, you met the requirements, then you would be eligible ... your military service would qualify as an allowable absence, but you wouldn't be able to apply until you returned to the state.

REPRESENTATIVE CLAMAN called the question.

[6:55:23 PM](#)

A roll call vote was taken. Representatives Eastman voted in favor of the motion to adopt Amendment 14. Representatives Vance, Kaufman, Tarr, Story, Claman, and Kreiss-Tomkins voted against it. Therefore, Amendment 14 failed by a vote of 1-6.

[6:55:52 PM](#)

REPRESENTATIVE EASTMAN withdrew Amendment 15.

REPRESENTATIVE EASTMAN moved to take from the table Amendment 9, labeled 32-LS0491\W.11, Nauman, 4/1/22, which read:

Page 2, line 7:
Delete "and"
Insert "[AND]"

Page 2, line 11, following "compliance":
Insert "; and"

(8) did not register to vote or vote in another state or a jurisdiction outside the state during the qualifying year"

There being no objection, Amendment 9 was before the committee.

CHAIR KREISS-TOMKINS asked Mr. Bigelow whether he had an update on the existing questions on the PFD application.

[6:56:11 PM](#)

MR. BIGELOW answered yes. He reported that two questions on the current application asked whether the individual had registered to vote in another state or country or voted in a state election in another state or country. He explained that the language was used to determine whether the applicant had taken a severing action based on the regulations regarding maintaining residency.

[6:57:32 PM](#)

REPRESENTATIVE CLAMAN asked whether Mr. Bigelow was suggesting that the topic addressed in Amendment 9 already existed in regulation as a prevailing policy.

MR. BIGELOW said, "That would be correct."

REPRESENTATIVE CLAMAN surmised that a person who answered one or both of those questions in the affirmative would be ineligible for a dividend.

MR. BIGELOW answered yes, as that would be viewed as a residency-severing action.

REPRESENTATIVE CLAMAN opined that there was no reason to go forward with Amendment 9, as it was already addressed in regulation.

[6:58:44 PM](#)

REPRESENTATIVE EASTMAN agreed with Representative Claman; however, he recalled testimony given during a previous hearing that discussed college students who had accidentally registered to vote in another state. He asked whether registering to vote in another state was always viewed by the division as a severing action.

[6:59:34 PM](#)

MR. BIGELOW said there were exceptions, such as individuals who had registered to vote 60 days prior to a presidential election for the sole purpose of voting in that election. He explained that the division was looking out for students or young adults who potentially got caught up in a campaign to vote in a presidential election, not realizing that in doing so, they were registering to vote in another state.

[7:01:07 PM](#)

REPRESENTATIVE CLAMAN maintained his objection.

REPRESENTATIVE EASTMAN withdrew Amendment 9.

[7:02:00 PM](#)

REPRESENTATIVE CLAMAN moved to report CSHB 142, Version 32-LS0491\W, Nauman, 3/28/22, as amended, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 142(STA) was reported out of the House State Affairs Standing Committee.

HB 271-AIDEA: MEMBERSHIP; RESPONSIBILITIES

[7:02:44 PM](#)

CHAIR KREISS-TOMKINS announced that the next order of business would be HOUSE BILL NO. 271, "An Act relating to the Alaska Industrial Development and Export Authority; and providing for an effective date." [Before the committee, adopted as the working draft on 4/19/22, was the proposed committee substitute (CS) for HB 271, Version 32-LS1364\I, Klein, 4/15/22, "Version I."]

[7:03:05 PM](#)

REPRESENTATIVE CLAMAN moved to report CSHB 271, Version 32-LS1364\I, Klein, 4/15/22, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 271(STA) was reported out of the House State Affairs Standing Committee.

HB 396-DIVEST INVESTMENTS IN RUSSIAN ENTITIES

[7:03:29 PM](#)

CHAIR KREISS-TOMKINS announced that the final order of business would be HOUSE BILL NO. 396, "An Act restricting certain investments of state funds in certain Russian entities; and providing for an effective date." Before the committee, adopted as the working draft on 4/21/22, was the proposed committee substitute (CS) for HB 396, Version 32-LS1618\I, Nauman, 4/15/22, "Version I."

[7:03:51 PM](#)

REPRESENTATIVE CLAMAN moved to report CSHB 396, Version 32-LS1618\I, Nauman, 4/15/22, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 396(STA) was reported out of the House State Affairs Standing Committee.

[7:04:37 PM](#)

ADJOURNMENT

There being no further business before the committee, the House State Affairs Standing Committee meeting was adjourned at 7:04 p.m.