

**HB**

**544**



23-GH2142\H  
Cook  
5/4/04

**CS FOR HOUSE BILL NO. 544( )**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**TWENTY-THIRD LEGISLATURE - SECOND SESSION**

**BY**

**Offered:**  
**Referred:**

**Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act providing that public members of the Board of Trustees of the Alaska**  
2 **Permanent Fund Corporation may be removed only for cause; and providing for an**  
3 **effective date."**

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

5 **\* Section 1.** AS 37.13.070(a) is amended to read:

6 (a) **The governor may remove a nonpublic member from the board.** The  
7 governor may remove a **public** member of the board from office **only for cause.** A  
8 removal by the governor must be in writing and must state the reason for the removal.  
9 A member who is removed by the governor may not participate in board business and  
10 may not be counted for purposes of establishing a quorum after the member receives  
11 written notice of removal from the governor.

12 **\* Sec. 2.** This Act takes effect immediately under AS 01.10.070(c).

# Bill History/Action Display



**BILL:** HB 544

**SHORT TITLE:** PERM FUND BOARD PUBLIC MEMBER REMOVAL

**BILL VERSION:**

**CURRENT STATUS:** (H) STA

**STATUS DATE:** 03/25/04

**SPONSOR(s):** RLS BY REQUEST OF THE GOVERNOR

**HEARING:** (H) STA Apr 22 8:00 AM CAPITOL 102 TELECONFERENCE

**TITLE:** "An Act providing that public members of the Board of Trustees of the Alaska Permanent Fund Corporation may be removed only for cause; and providing for an effective date."

**Bill Root:**  [Display Bill Root](#) [Next Bill](#)

[Full Text](#) [Fiscal Notes](#)

[Committee Action with Bill History](#)

Jrn-Date	Jrn-Page	Action
03/25/04	<a href="#">3081</a>	(H) READ THE FIRST TIME - REFERRALS
03/25/04	<a href="#">3081</a>	(H) STA
03/25/04	<a href="#">3081</a>	(H) FN1: ZERO(LAW)
03/25/04	<a href="#">3081</a>	(H) FN2: ZERO(REV)
03/25/04	<a href="#">3081</a>	(H) GOVERNOR'S TRANSMITTAL LETTER
03/25/04	<a href="#">3081</a>	(H) REFERRED TO STATE AFFAIRS

Similar Subject Match or Exact Subject Match

BOARDS & COMMISSIONS

GOVERNOR

HEARINGS

PERMANENT FUND

PUBLIC CORPORATIONS

**Bill Root:**  [Display Bill Root](#) [Next Bill](#)

[To Report Problems with Basis Inquiry](#)

[Live KTOO Streams](#) 

[Return to Basis Main Menu \(23 Legislature\)](#)

[Return to Legislature Home Page](#)

23-GH2142\D

Cook

4/15/04

## CS FOR HOUSE BILL NO. 544( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY

Offered:

Referred:

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

## A BILL

## FOR AN ACT ENTITLED

1 "An Act relating to removal of public members of the Board of Trustees of the Alaska  
2 Permanent Fund Corporation, providing that public members may be removed only for  
3 cause; and providing for an effective date."

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

5 \* Section 1. AS 37.13.070(a) is amended to read:

6 (a) The governor may remove a public member of the board from office only  
7 for cause, including inefficiency, neglect of duty, misconduct in office, or because  
8 the member, while serving on the board, is convicted of a misdemeanor or felony  
9 involving moral turpitude. The grounds for [ . A] removal by the governor must be  
10 in writing and must state the reason for the removal. Before the removal is final, the  
11 member shall be given an opportunity to be heard in person or through counsel  
12 at a public hearing before the governor or the governor's designee. Notice of the  
13 time and place of the hearing shall be provided to the member at least 10 days  
14 before the hearing is held. The member may confront and cross-examine adverse

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16

witnesses at the hearing. A member who is removed by the governor may not participate in board business and may not be counted for purposes of establishing a quorum after the member receives written notice of the final removal determination from the governor. Upon removal, the governor or the governor's designee shall file, in the office of the lieutenant governor, the findings made by the governor or the governor's designee after the hearing held under this section, and a complete statement of all grounds for removal asserted by the governor against the member.

\* Sec. 2. The uncodified law of the State of Alaska is amended by adding a new section to read:

APPLICABILITY. This Act applies to public members of the Board of Trustees of the Alaska Permanent Fund Corporation appointed under AS 37.13.050

(1) on or after the effective date of this Act; or

(2) before the effective date of this Act and serving in that capacity on the effective date of this Act.

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

HB 544



FRANK H. MURKOWSKI  
GOVERNOR  
GOVERNOR@GOV.STATE.AK.US

P.O. BOX 110001  
JUNEAU, ALASKA 99811-0001  
(907) 465-3500  
FAX (907) 465-3532  
WWW.GOV.STATE.AK.US

STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

March 24, 2004

The Honorable Pete Kott  
Speaker of the House  
Alaska State Legislature  
State Capitol, Room 208  
Juneau, AK 99801-1182

Dear Speaker Kott:

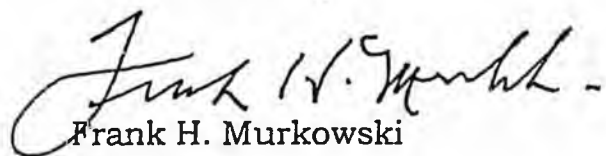
Under the authority of article III, section 18, of the Alaska Constitution, I am transmitting a bill relating to removal of public members of the Board of Trustees of the Alaska Permanent Fund Corporation.

This bill would provide that public members of the Board of Trustees may be removed only for cause. The bill would provide grounds for the removal of public members of the board which includes, neglect of duty, misconduct in office or conviction of certain misdemeanor or felony charges. The bill also grants Board members the opportunity to be heard at a public hearing and requires at least ten days notice of the hearing.

Under existing law, it is possible to remove all Board members at a change in administration. This bill would insulate the Alaska Permanent Fund from partisan politics by making it more likely that Board members would be retained until the expiration of their terms. The state invests a great deal in the experience and training provided to Board members. It is in our best interests to reap the full benefit of this investment. The Alaska Permanent Fund Corporation benefits from having experienced Board members direct policy for management of the Permanent Fund.

I urge your prompt and favorable action on this measure.

Sincerely yours,

  
Frank H. Murkowski  
Governor

Enclosure

# FISCAL NOTE

**STATE OF ALASKA**  
**2004 LEGISLATIVE SESSION**

Fiscal Note Number: 2  
 Bill Version: HB 544  
 (H) Publish Date: 3/25/04

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Revenue  
 Title APFC Board Removal for Cause BRU AK Permanent Fund Corporation  
 Component AK Permanent Fund Corporation  
 Sponsor Rules  
 Requester Governor Component No. 109

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>						
-------------------------------	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2004) cost: 0.0  
 Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This bill institutes the "removal for cause" threshold for the four public members of the Alaska Permanent Fund Corporation Board of Trustees. It would not affect the financial operations of the Permanent Fund and therefore does not generate any costs or savings to the Fund.

Prepared by: Robert D. Storer, Executive Director Phone (907) 465-2047  
 Division Alaska Permanent Fund Corporation Date/Time 2/8/04 3:17 PM  
 Approved by: William Corbus, Commissioner Date 2/8/2004  
 Agency Department of Revenue

# FISCAL NOTE

STATE OF ALASKA  
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1  
Bill Version: HB 544  
(H) Publish Date: 3/25/04

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: LAW  
Title "An Act providing that public members of the RDU CIVIL  
Board of Trustees of the Alaska Permanent Fund ..." Component Labor & State Affairs  
Sponsor Rules \_\_\_\_\_  
Requester Governor \_\_\_\_\_ Component No. \_\_\_\_\_

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>						
-------------------------------	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2004) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This bill would give members of Alaska Permanent Fund Corporation Board of Trustees protection in that a member could only be removed for cause after a public hearing. Under existing law, the governor may remove a board member by sending a letter that sets out reasons. Existing law does not require the governor to state grounds sufficient for removal for cause. Removal for cause customarily involves removal for neglect of office, misconduct or malconduct, or conviction of a crime.

Passage of this legislation will have no foreseeable fiscal impact on the Department of Law.

Prepared by: Kathryn A. Daughhete, Director  
Division: Administrative Services  
Approved by: Kathryn Daughhete for Gregg D. Renkes, Attorney General  
Agency: Department of Law

Phone 465-3673  
Date/Time 2/4/04 8:41 AM  
Date 2/4/2004

THE  
FOLLOWING  
DOCUMENT(S)  
ARE  
POOR  
ORIGINAL  
COPIES

## MEMORANDUM

## State of Alaska

TO: Hon. Terry Miller  
Lieutenant Governor

DATE: November 7, 1980

ATTN: Patty Ann Polley, Director  
Division of Elections

FILE NO: J-66-001-81

TELEPHONE NO: 465-3665

FROM: WILSON L. CONDON  
ATTORNEY GENERAL

SUBJECT: Restoration of vot-  
ing rights to con-  
victed felons

By:

Laura L. Davis  
Assistant Attorney General

You have requested that we respond to an inquiry by Akeela House of Anchorage regarding the scope of the disqualification of convicted felons from voting. We discuss the applicable provisions of the 1980 Election Code below. We will send copies of this memo and the attached information to Akeela House.

Attached is our memorandum dated August 14, 1968 on this subject. It provides background on the disqualification of convicted felons from voting in Alaska. The 1980 Election Code revised AS 15.05.030 to provide as follows:

LOSS AND RESTORATION OF VOTING RIGHTS. (a) A person convicted of a crime that constitutes a felony involving moral turpitude under state law may not vote in a state or municipal election from the date of his conviction through the date of the restoration of voting rights under this section. The right to vote withdrawn under this section is automatically restored upon the unconditional discharge of the person.

(b) The commissioner of health and social services shall establish procedures by which a person unconditionally discharged is advised of the restoration of voting rights withdrawn by a conviction. § 4, ch. 100, SLA 1980.

The new Election Code also amends AS 15.60.010 to include the following definitions of terms used in AS 15.05.030:

(8) "felony involving moral turpitude" includes those crimes which are immoral or wrong in themselves such as murder, sexual assault, robbery, kidnapping, incest, arson, burglary, theft, and forgery; . . .

Patty Ann Polley, Director  
Division of Elections

November 7, 1980  
Page #2

(32) "unconditional discharge" means that a person is released from all disability arising under a conviction and sentence, including probation and parole. § 207, ch. 100, SLA 1980.

In our opinion, the new code has not changed the date upon which a voting disability or a felony conviction is imposed, but it has extended the disability to persons receiving suspended sentences. The disqualification attaches at the time of final judgment of conviction. A person is not disqualified from voting pending an appeal of a conviction. However, absent an appeal, a person who receives a suspended sentence, or a suspended imposition of sentence is disqualified until his or her unconditional discharge. Under the former law, such persons would not have been disqualified.

Under the new code, the definition of felony involving moral turpitude has been revised. The statutory definition mentions several specific crimes, and includes all crimes which are "immoral or wrong in themselves." The Criminal Division of the Department of Law in cooperation with the Division of Corrections of the Department of Health & Social Services, has developed a list of crimes contained in the revised Criminal Code which constitute the felonies involving moral turpitude. This list is attached for your guidance.

We hope that this answers your questions.

LLD/pjg

Enc.

cc w/enc.: Mike Dunham, Outreach Counselor  
Akeela House - Anchorage

## FELONIES INVOLVING MORAL TURPITUDE

Murder in the First Degree  
Murder in the Second Degree  
Manslaughter  
Assault in the First Degree  
Assault in the Second Degree  
Kidnapping  
Sexual Assault in the First Degree  
Sexual Assault in the Second Degree  
Sexual Assault in the Third Degree  
Incest  
Unlawful Exploitation of a Minor  
Robbery in the First Degree  
Robbery in the Second Degree  
Extortion  
Coercion  
Theft in the First Degree  
Theft in the Second Degree  
Burglary in the First Degree  
Burglary in the Second Degree  
Arson in the First Degree  
Arson in the Second Degree  
Criminal Mischief in the First Degree  
Criminal Mischief in the Second Degree  
Forgery in the First Degree  
Forgery in the Second Degree  
Criminal Possession of a Forgery Device  
Offering a False Instrument for Recording  
Scheme to Defraud  
Falsifying Business Records  
Commercial Bribe Receiving  
Commercial Bribery  
Endangering the Welfare of a Minor  
Bribery  
Receiving a Bribe  
Perjury  
Perjury by Inconsistent Statements  
Escape in the First Degree  
Escape in the Second Degree  
Promoting Contraband in the First Degree  
Interference with Official Proceedings  
Receiving a Bribe by a Witness or Juror  
Jury Tampering  
Misconduct by a Juror  
Tampering with Physical Evidence  
Hindering Prosecution in the First Degree  
Terroristic Threatening  
Riot  
Criminal Possession of Explosives  
Unlawful Furnishing of Explosives  
Promoting Prostitution in the First Degree

TESTIMONY OF SPONSOR  
HB 544

Thank you Mr. Chair. My name is Mike Barnhill, from the Department of Law, Commercial Section, and I am pleased to present to the committee HB 544, on behalf of the Administration.

The concept of HB 544 is quite simple: it provides that public members of the APFC Board of Trustees may be removed only for cause. The bill contemplates that the types of permissible cause for which a Board member may be removed include:

- 1) inefficiency
- 2) neglect of duty
- 3) misconduct in office
- 4) conviction of a misdemeanor or felony involving moral turpitude

The bill provides for a measure of due process to the Board member, including a hearing before the governor or governor's designee, who will prepare a statement of findings and grounds for removal following the hearing.

The language of this bill is patterned after AS 16.05.280, which provides for similar grounds for removal and the same hearing process for board members of the Board of Fisheries.

The administration supports this bill because it will insulate the APFC Board from partisan politics when there is a change of administration. In doing so, it will enhance the institutional continuity of the Board and permit the Board to continue its important work without interruption when a change of administrations occurs.

Bob Storer, the executive director of the APFC, is here to elaborate further on the important policy reasons to enact this legislation. We thank you for your support and I would be happy to take any questions regarding the bill.