

HB

36

<target><bill>HB 36</bill><subject>HB
36</subject><comm>HFIN26</comm></target>

ALASKA STATE LEGISLATURE



REPRESENTATIVE KYLE JOHANSEN
MAJORITY LEADER

SPONSOR STATEMENT – HOUSE BILL 36

Alaska's lawmaking process is highly public and strives to be transparent. Shown by the passage of an omnibus ethics bill in 2006, Alaskan voters want to know who is contributing to candidate campaigns. Initiative-created law has the same authority and effect as law created by elected officials; therefore voters should be allowed to know who is making law through the initiative process. House Bill 36, also known as the Open and Transparent Initiative Act (OTIA), seeks to identify people and/or groups who financially contribute to initiative campaigns and requires all initiative groups to register with the Alaska Public Office's Commission. These guidelines are similar to those imposed upon elected officials. In addition, OTIA mandates that initiative sponsors hold public hearings in 30 house districts, limits signature-gathers to work one petition at a time, restricts the use of per-signature commission, and requires all of the language of a proposed ballot measure be published in the petition booklets so potential signers have the opportunity to read all of the language rather than a short summary.

Initiative committees in Alaska are not held to a high enough disclosure standard. There are loopholes in the current disclosure process that allow groups to hide contributors. There are signature-gathers without accountability. There is a lack of public hearings and input. There is financial information that is not disclosed until after the election. These shortcomings are not acceptable, and the Open and Transparent Initiative Act seeks to close these loopholes, repair the initiative process, and restore the faith of Alaskans in our election process.

Session: State Capitol, Juneau, AK 99801-1182 • (907) 465-3424 • Fax (907) 465-3793

Interim: 50 Front Street, Suite 203, Ketchikan, AK 99901 • (907) 247-4672 • Fax (907) 225-8546

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ALASKA STATE LEGISLATURE



Add to Minutes

REPRESENTATIVE KYLE JOHANSEN
MAJORITY LEADER

SECTIONAL ANALYSIS - HOUSE BILL 36

- Section 1.** Requires an individual, person, non-group entity, or group that contributes a total of \$500 or more to a group organized for the principal purpose of influencing a bill proposed for inclusion on the ballot as an initiative under AS 15.45.020, to report the individual's, person's, non-group entity's, or group's contribution or contributions on a form prescribed by the Alaska Public Offices Commission (APOC) not later than 30 days after the contribution is made.
- Section 2.** Provides that each person other than an individual shall register with APOC before making an expenditure in support of or in opposition to a proposed initiatives bill filed with the lieutenant governor under AS 15.45.020.
- Section 3.** Expands the meaning of "proposition" under AS 15.13.065(c) to include an initiative proposal application filed with the lieutenant governor under AS 15.45.020.
- Section 4.** Conforms subsection AS 15.13.110(e) to the enhanced initiative reporting requirements found in the bill's sec. 5.
- Section 5.** Establishes new reporting requirements for initiative committees, persons, groups, or non-group entities making certain contributions or expenditures in support of or in opposition to an initiative proposal application filed with the lieutenant governor under AS 15.45.020 or an initiative that has been approved for placement on the ballot.
- Section 6.** Expands the definition of "contribution" applicable to state election campaigns to include certain purchases, payments, promises, or obligations to pay, loans or loan guarantees, deposits or gifts of money, good, or services for which a charge is ordinarily made that is made for the purpose of supporting or opposing an initiatives proposal application filed with the lieutenant governor under AS 15.45.020.
- Section 7.** Expands the definition of "expenditure" applicable to state election campaigns to include certain purchases or transfers of money or anything of value, or promises or agreements to purchase or transfer money or anything value, incurred or made for the purpose of supporting or opposing an initiative proposal application filed with the lieutenant governor under AS 15.45.020.
- Section 8.** Prohibits an initiative that is substantially similar to an initiative that has appeared on the ballot in the previous two years that was not adopted by the electorate.

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(COPY ON FILE)

- Section 9.** Requires that each initiative petition contains a copy of the proposed initiative bill.
- Section 10.** Prohibits paying initiative petition circulators on a per signature basis. *money per sig*
- Section 11.** Prohibits initiative petition circulators from gathering signatures for more than one initiative at a time.
- Section 12.** Provides that the affidavit required to accompany an initiative petition must state in substance that the person circulating the petition did not gather signatures for more than one petition at a time.
- Section 13.** Requires that initiative sponsors (1) hold hearings in at least 30 house districts before a petition is filed with the lieutenant governor under AS 15.45.140 and (2) provide reasonable notice of each public hearing. Provides that an initiative petition will not be placed on the ballot if the sponsors fail to hold, or provide proper notice of, the public hearings.
- Section 14.** Requires initiative sponsors to include a sworn affidavit, and proof acceptable to the lieutenant governor, that the initiative sponsors held public hearings in 30 house districts and provided proper notice of the hearings.
- Section 15.** Requires the lieutenant governor to review the affidavit provided under the bill's sec 14, and any accompanying proof submitted, at the time the lieutenant governor reviews the initiative petition.
- Section 16.** Adds initiative sponsors' failure to hold public hearings in 30 house districts or sponsors' failure to provide reasonable notice of hearings, to the bases upon which the lieutenant governor may determine that an initiative petition is improperly filed.
- Section 17.** Requires an election pamphlet to be prepared and mailed to each household for any special election at which a ballot proposition is scheduled to appear on the ballot.
- Section 18.** Provides that an election pamphlet for a special election at which a ballot measure is scheduled to appear on the ballot shall contain (1) the full text of the proposition, (2) the ballot title and summary of the proposition, (3) a statement of the costs to the state of implementing the law proposed in an initiative, (4) a neutral summary of the proposition, (5) statements submitted that advocate voter approval or rejection of the proposition not to exceed 500 words, and (6) any additional information on voting procedures that the lieutenant governor considers necessary.
- Section 19.** Requires that a standing committee of the legislature review initiatives that the lieutenant governor has approved for placement on the ballot.
- Section 20.** Provides that the provisions of the Act apply to an initiative proposed by filing an application with the lieutenant governor under AS 15.45.020 on or after the effective date of the Act.

Ready
this

H Finance - HB 36

Chip Thoma Box 21884 JNU

HB 36 is a Campaign Disclosure bill - directed specifically at those who support and oppose Initiatives.

Yet a few weeks ago, the US Supreme Court issued a ruling on the Bigger Issue of WHO can Contribute to all political Campaigns and Issues, federal & state.

And the Answer is : All Bets Are Off. It is wide open and could be a Major Sea Change in Alaska politics very soon.

HB 36 has now become Piece-Meal legislation – a small piece of the Big Pie of campaign contributions in Alaska.

Alaska is An Oil State – that is our Strength... and it also makes us Vulnerable to Mischief Created by Others.

There are Major Players at work here already – what if someone, or some company wants to Seriously Get Involved in oil taxes - \$10-20 M worth – Can We Restrict that Entity?

As I said, Alaska is an Oil State - If Hugo Chavez and CITCO oil company want to influence state elections – or push initiatives, referendums, or recalls, can we restrict these foreign players or not?

That question is now Wide Open - That's why HB 36 is Piece-meal – and passage without full review could invite campaign mischief through unlimited financing.

Instead, there should be a Bipartisan Taskforce with an Interim Committee of House and Senate members to look at the big picture of campaign finance in Alaska & HB36....
Please hold HB 36 and review it with an Interim Committee.

ALASKA STATE LEGISLATURE



REPRESENTATIVE KYLE JOHANSEN
MAJORITY LEADER

SECTIONAL ANALYSIS – HOUSE BILL 36 Version S

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- Section 2.** Provides that each person other than an individual shall register with APOC before making an expenditure in support of or in opposition to a proposed initiatives bill filed with the lieutenant governor under AS 15.45.020.
- Section 3.** Expands the meaning of "proposition" under AS 15.13.065(c) to include an initiative proposal application filed with the lieutenant governor under AS 15.45.020.
- Section 4.** Conforms subsection AS 15.13.110(e) to the enhanced initiative reporting requirements found in the bill's sec. 5.
- Section 5.** Establishes new reporting requirements for initiative committees, persons, groups, or non-group entities making certain contributions or expenditures in support of or in opposition to an initiative proposal application filed with the lieutenant governor under AS 15.45.020 or an initiative that has been approved for placement on the ballot.
- Section 6.** Expands the definition of "contribution" applicable to state election campaigns to include certain purchases, payments, promises, or obligations to pay, loans or loan guarantees, deposits or gifts of money, good, or services for which a charge is ordinarily made that is made for the purpose of supporting or opposing an initiatives proposal application filed with the lieutenant governor under AS 15.45.020.
- Section 7.** Expands the definition of "expenditure" applicable to state election campaigns to include certain purchases or transfers of money or anything of value, or promises or agreements to purchase or transfer money or anything value, incurred or made for the purpose of supporting or opposing an initiative proposal application filed with the lieutenant governor under AS 15.45.020.
- Section 8.** Echoes 15.45.040 in saying that if an initiative is not confine to a single subject, it will not be certified for the ballot.

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- Section 9.** Requires that each initiative petition contains a copy of the proposed initiative bill.
- Section 10.** Prohibits paying initiative petition circulators on a per signature basis.
- Section 11.** Requires that the Lieutenant Governor (1) hold at least 2 hearings in each judicial district of the State and (2) provide reasonable notice of each public hearing. Provides a time frame for the Lieutenant Governor to hold the public hearings, which is after a measure is to appear on the ballot and at least 30 days prior to the election.
- Section 12.** Requires an election pamphlet to be prepared and mailed to each household for any special election at which a ballot proposition is scheduled to appear on the ballot.
- Section 13.** Provides that an election pamphlet for a special election at which a ballot measure is scheduled to appear on the ballot shall contain (1) the full text of the proposition, (2) the ballot title and summary of the proposition, (3) a statement of the costs to the state of implementing the law proposed in an initiative, (4) a neutral summary of the proposition, (5) statements submitted that advocate voter approval or rejection of the proposition not to exceed 500 words, and (6) any additional information on voting procedures that the lieutenant governor considers necessary.
- Section 14.** Requires that a standing committee of the legislature review initiatives that the lieutenant governor has approved for placement on the ballot.
- Section 15.** Provides that the provisions of the Act apply to an initiative proposed by filing an application with the lieutenant governor under AS 15.45.020 on or after the effective date of the Act.

HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: April 16, 2009

FURTHER REFERRALS:

Date of Committee Action: 3/16/10

The FINANCE Committee considered:

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 36

"An Act relating to ballot initiative proposal applications and to ballot initiatives."

HB 36 INITIATIVES: CONTRIBUTIONS/ PROCEDURES

Recommends it be replaced with HCS or CS for SSH B 36 (FIN)
 For Senate Bills with new title: Technical Title New Title: HCR _____ Same Title New Title

- attach amendments
- add new referral to _____ Committee
- Letter of Intent _____ Committee

List of Abbrev for Depts:
 ADM
 CED
 COR
 CRT
 EED
 DEC
 DFG
 GOV
 DHS
 LWF
 LAW
 LEG
 MVA
 DNR
 DPS
 REV
 DOT
 UA

<u>NEW FISCAL NOTES</u>				
<small>*Assigned by Chief Clerk's Office</small>				
List by Dept(s):	*FN#:	Fiscal	Indet.	Zero
ADM		✓		
GOV				✓
GOV				✓

<u>PREVIOUS FISCAL NOTES</u>				
List by Dept(s):	FN#	Fiscal	Indet.	Zero

<u>Signing with recommendations</u>	Printed Last Name	DP	DNP	NR	AM
	Thomas Austerman	✓			
	Gara Doogan	X			
	Josh Foster				✓
	KELLY FAIRCLOUGH	X			✓
Chair:	Stoll	X			
Chair:	Hawker	*			

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: SSHB 36
() Publish Date: _____

Identifier (file name): SSHB036-DOA-APOC-02-08-10 Dept. Affected: Administration
Title "An Act relating to ballot initiative applications and to ballot RDU AK Public Offices Commission
initiatives..." Component AK Public Offices Commission
Sponsor Reps. JOHANSEN, MILLETT, WILSON, Johnson
Requester (H) JUD Component Number 70

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	Appropriation Required	Information					
	FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Personal Services	32.7						
Travel							
Contractual	25.0						
Supplies							
Equipment	2.5						
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	60.2	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES							
-----------------------------	--	--	--	--	--	--	--

CHANGE IN REVENUES ()							
-------------------------------	--	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
1002 Federal Receipts							
1003 GF Match							
1004 GF	60.2						
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	60.2	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2010) cost: _____

POSITIONS

POSITIONS	FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Full-time							
Part-time	1.0						
Temporary							

ANALYSIS: (Attach a separate page if necessary)
This bill would impact the Alaska Public Offices Commission (APOC) through changes to regulations, changes to the electronic filing program and increased workload for staff. Changes to regulations could be incorporated into a proposed contract to draft regulations at little or no increased cost. To the extent that the regulations expand reporting of contributions to groups supporting ballot initiative proposal applications, this would require changes to the existing reporting forms and to the proposed format of the electronic filing system (Insight). Contractual funds are included to analyze programming changes to the Insight program that would be included in the FY12 Capital budget. Requiring that groups sponsoring ballot initiative proposal applications file earlier than currently required would generate increased filings and customer assistance, increasing staff workload. This increment includes 1 PPT (range 13, Law Office Assistant II) with computer and furniture.

Prepared by: Holly Hill, Director Phone (907) 334-1726
Division Alaska Public Office Commission Date/Time 2/8/10 12:00 PM
Approved by: Rachael Petro, Deputy Commissioner Date 2/8/2010
Department of Administration

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: CSSSHB 36(JUD)
 () Publish Date: _____

Identifier (file name): HB036CSSS(JUD)-OOG-DOE-2-8-10 Dept. Affected: OOG
 Title An Act relating to ballot initiative proposal applications RDU Elections
and to ballot initiatives Component Elections
 Sponsor Representatives Johansen, Millett, Wilson and Johnson
 Requester House Finance Committee Component Number 21

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
		FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
OPERATING EXPENDITURES							
Personal Services							
Travel							
Contractual		0.0					
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES							
-----------------------------	--	--	--	--	--	--	--

CHANGE IN REVENUES ()							
-------------------------------	--	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
1002 Federal Receipts						
1003 GF Match						
1004 GF		0.0				
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other Interagency Receipts						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2010) cost: _____

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation will have no fiscal impact on the division of elections.

Prepared by: Gail Fenumiai, Director
 Division Division of Elections
 Approved by: Linda Perez, Director
 Division Division of Administrative Services

Phone 465-4611
 Date/Time 2/8/10, 9:07am
 Date 2/8/2010

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: SSHB36
() Publish Date: _____

Identifier (file name): SSHB036-OOG-LIGOV-3-12-10 Dept. Affected: OOG
Title "An Act relating to ballot initiative proposal applications
and to ballot initiatives." RDU Executive Operations
Component Lt. Governor's Office
Sponsor Representatives Johansen, Millet, Wilson and Johnson
Requester House Finance Component Number 11

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
OPERATING EXPENDITURES								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
TOTAL OPERATING		0.0	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES								
-----------------------------	--	--	--	--	--	--	--	--

CHANGE IN REVENUES ()								
-------------------------------	--	--	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF								
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other Interagency Receipts								
TOTAL		0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2010) cost: 0.0

POSITIONS

Full-time								
Part-time								
Temporary								

ANALYSIS: (Attach a separate page if necessary)

The bill requires the lieutenant governor or designee to convene two or more public hearings in each judicial district and to provide consistent and reasonable notice of the hearings. The Office of the Lieutenant Governor can perform these duties within existing budget levels.

Prepared by: Linda Perez, Director
Division: Administrative Services
Approved by: John Cramer, Chief of Staff
Lt. Governor's Office

Phone 465-3876
Date/Time 3/12/2010 5:00:00PM
Date 3/12/2010

BS move
MH object
MH withdraw object aside
BS withdraw amend.

26-LS0197S.4
Bullard
3/11/10

AMENDMENT #1

OFFERED IN THE HOUSE
TO: CSSSHB 36(JUD)

By Stoltze
by Request Sponsor

1 Page 2, line 6:

2 Insert a new bill section to read:

3 **** Sec. 3. AS 15.13.050 is amended by adding a new subsection to read:**

4 (c) If a group intends to make contributions or expenditures only in support of
5 or opposition to a single initiative on the ballot, the title or common name of the
6 initiative must be a part of the name of the group. If the group intends to make
7 contributions or expenditures only in opposition to a single initiative on the ballot, the
8 group's name must clearly state that it opposes that initiative by using a word such as
9 "opposes," "opposing," "in opposition to," or "against" in the group's name."

10

11 Renumber the following bill sections accordingly.

BS move
MH Obj.
MH maintain obj.
BS - APOC - work on language
AA - title change
withdrawn
Adopted
3/16/10

26-LS0197S.1
Bullard
1/25/10

AMENDMENT #2

OFFERED IN THE HOUSE

TO: CSSH B 36(JUD)

By Stoltze
by Request

1 Page 1, line 1, following "initiatives":

2 Insert "and those who file or organize in order to file them"

3

4 Page 4, following line 30:

5 Insert a new bill section to read:

6 **** Sec. 8. AS 15.13.400(8) is amended to read:**

7 (8) "group" means

8 (A) every state and regional executive committee of a political
9 party; [AND]

10 (B) any combination of two or more individuals acting jointly
11 who organize for the principal purpose of influencing the outcome of one or
12 more elections and who take action the major purpose of which is to influence
13 the outcome of an election; a group that makes expenditures or receives
14 contributions with the authorization or consent, express or implied, or under
15 the control, direct or indirect, of a candidate shall be considered to be
16 controlled by that candidate; a group whose major purpose is to further the
17 nomination, election, or candidacy of only one individual, or intends to expend
18 more than 50 percent of its money on a single candidate, shall be considered to
19 be controlled by that candidate and its actions done with the candidate's
20 knowledge and consent unless, within 10 days from the date the candidate
21 learns of the existence of the group the candidate files with the commission, on
22 a form provided by the commission, an affidavit that the group is operating
23 without the candidate's control; a group organized for more than one year

1 preceding an election and endorsing candidates for more than one office or
2 more than one political party is presumed not to be controlled by a candidate;
3 however, a group that contributes more than 50 percent of its money to or on
4 behalf of one candidate shall be considered to support only one candidate for
5 purposes of AS 15.13.070, whether or not control of the group has been
6 disclaimed by the candidate; and

7 (C) any combination of two or more individuals acting
8 jointly who organize for the principal purpose of filing an initiative
9 proposal application under AS 15.45.020 or who file an initiative proposal
10 application under AS 15.45.020;"

*or who organize for
the purpose*

11
12 Renumber the following bill sections accordingly.

*W. Andrew
3/16/10*

AMENDMENT #3 ?

OFFERED IN THE HOUSE
TO: CSSH B 36(JUD)

*By Stoltz
by Request*

1 Page 1, line 1:

2 Delete "and to ballot initiatives"

3 Insert ", to ballot initiatives and referenda, to issues placed on the ballot to
4 determine whether a constitutional convention shall be called, a debt shall be contracted,
5 an advisory question shall be approved or rejected, or a municipality shall be
6 incorporated, and to constitutional amendments submitted to the public for a vote"

7
8 Page 2, line 9, following "15.13.060":

9 Insert "15.13.074(b),"

Admin wants

10
11 Page 7, line 13, following "APPLICABILITY":

12 Insert "(a)"

13
14 Page 7, following line 15:

15 Insert a new subsection to read:

16 "(b) This Act applies only to a ballot proposition, as that term is defined in
17 AS 15.13.065(c), but excluding an initiative covered under (a) of this section, placed on the
18 ballot after the first statewide election on or after the effective date of this Act."

MD move
BS object
withdrawn
until later

AMENDMENT #4

By Doogan

OFFERED IN THE HOUSE
TO: CSSH B 36(JUD)

1 Page 1, line 1:

2 Delete "and to ballot initiatives"

3 Insert ", to ballot initiatives, and to communications made in connection with
4 initiative elections"

5

6 Page 2, following line 19:

7 Insert new bill sections to read:

8 **** Sec. 4. AS 15.13.090(a) is amended to read:**

9 (a) All communications shall be clearly identified by the words "paid for by"
10 followed by the name and address of the person [CANDIDATE, GROUP,
11 NONGROUP ENTITY, OR INDIVIDUAL] paying for the communication. In
12 addition,

13 (1) candidates and groups may identify the name of their campaign
14 chairperson; and

15 (2) a person paying for a communication relating to an initiative
16 shall clearly

17 (A) if applicable, identify the person's principal officer and
18 the officer's title;

19 (B) include a statement from the person, or principal
20 officer of the person, approving the communication;

21 (C) provide the address of the person, if the person is an
22 individual, group, nongroup entity, or other nonprofit organization, or the
23 address of the person's principal place of business; and

1 **(D) identify the five contributors contributing the largest**
2 **amounts to the person, if any, during the 12-month period before the date**
3 **of the communication, with the words "top five contributors." [.]**

4 * Sec. 5. AS 15.13.090 is amended by adding a new subsection to read:

5 (c) In this section, "contributors" means the true source of the funds being
6 contributed to the person paying for the communication."

7
8 Renumber the following bill sections accordingly.

mt: any contributor > 10% total.

*Gara move
BS obj.
Adopted 3/16/10*

26-LS0197S.11
Bullard
3/15/10

AMENDMENT #5

OFFERED IN THE HOUSE
TO: CSSSHB 36(JUD)

BY REPRESENTATIVE GARA

- 1 Page 6, line 21:
- 2 Insert a new subsection to read:
- 3 "(c) Penalties for a violation of this section shall not include removal of an
- 4 initiative from the ballot."

Withdrawn
3/16/10

AMENDMENT #6

OFFERED IN THE HOUSE
TO: CSSH 36(JUD)

By Doogan

1 Page 1, line 1:

2 Delete "and to ballot initiatives"

3 Insert ", to ballot initiatives, and to communications made in connection with
4 elections"

6 Page 2, following line 19:

7 Insert new bill sections to read:

8 **** Sec. 4.** AS 15.13.090(a) is amended to read:

9 (a) All communications shall be clearly identified by the words "paid for by"
10 followed by the name and address of the person [CANDIDATE, GROUP,
11 NONGROUP ENTITY, OR INDIVIDUAL] paying for the communication. In
12 addition,

13 (1) candidates and groups may identify the name of their campaign
14 chairperson; and

15 (2) a person paying for a communication relating to an initiative
16 shall clearly

17 (A) if applicable, identify the person's principal officer and
18 the officer's title; and

19 (B) identify the three contributors that have contributed
20 the largest amounts to the person in excess of \$500, if any, with the words
21 "top three contributors." [.]

22 * **Sec. 5.** AS 15.13.090 is amended by adding new subsections to read:

23 (c) The contributors described in (a)(2)(B) of this section shall be listed in

1 order of the amount of their contributions, except that those contributing the same
2 amount shall be listed alphabetically. In no case shall a person be required to identify
3 more than three contributors under (a)(2)(B) of this section.

4 (d) In this section, "contributors" means the true source of the funds being
5 contributed to the person paying for the communication."
6

7 Renumber the following bill sections accordingly.

8

9 Page 7, line 13:

10 Delete "This Act applies"

11 Insert "Sections 1 - 3 and 6 - 16 of this Act apply"

Adopted
3/16/10

26-LS0197\S.12
Bullard
3/16/10

AMENDMENT #7

OFFERED IN THE HOUSE
TO: CSSH B 36(JUD)

By Stoltze
by Request

1 Page 2, following line 6:

2 Insert a new bill section to read:

3 **** Sec. 3.** AS 15.13.050 is amended by adding a new subsection to read:

4 (c) If a group intends to make more than 50 percent of its contributions or
5 expenditures in support of or opposition to a single initiative on the ballot, the title or
6 common name of the initiative must be a part of the name of the group. If the group
7 intends to make more than 50 percent of its contributions or expenditures in opposition
8 to a single initiative on the ballot, the group's name must clearly state that the group
9 opposes that initiative by using a word such as "opposes," "opposing," "in opposition
10 to," or "against" in the group's name."

11

12 Renumber the following bill sections accordingly.

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: CSSSHB 36(JUD)
 () Publish Date: _____

Identifier (file name): HB036CSSS(JUD)-OOG-DOE-2-8-10 Dept. Affected: OOG
 Title An Act relating to ballot initiative proposal applications RDU Elections
and to ballot initiatives Component Elections
 Sponsor Representatives Johansen, Millett, Wilson and Johnson
 Requester House Finance Committee Component Number 21

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
OPERATING EXPENDITURES								
Personal Services								
Travel								
Contractual			0.0					
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
TOTAL OPERATING		0.0	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES								
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CHANGE IN REVENUES ()								
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF			0.0					
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other Interagency Receipts								
TOTAL		0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2010) cost: _____

POSITIONS

Full-time								
Part-time								
Temporary								

ANALYSIS: (Attach a separate page if necessary)

This legislation will have no fiscal impact on the division of elections.

Prepared by: Gail Fenumiai, Director Phone 465-4611
 Division Division of Elections Date/Time 2/8/10, 9:07am
 Approved by: Linda Perez, Director Date 2/8/2010
Division of Administrative Services

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

*Called for second
final 3/17/10 4:30pm*

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

March 17, 2010

SUBJECT: CSSH B 36(FIN), relating to ballot initiative proposals
(Work Order No. 26-LS0197P)

TO: Representative Bill Stoltze
Co-Chair of the House Finance Committee
Attn: Christine Marie, House Finance Committee Secretary

FROM: Jack Chenoweth
Assistant Revisor

My understanding is that committee-approved House Finance Committee Substitutes are to be routed through the committee secretary's office.

The committee-adopted substitute for the above captioned bill is not without problems, one of which we have taken initiative to correct.

1. Use of "shall not" in the penalties limitation provision, proposed AS 15.45.195(c), to be added in bill section 13, is inconsistent with the Manual of Legislative Drafting. A prohibition should be expressed as "may not." *not shall not*

2. The election pamphlet content amendment made to AS 15.58.020(b) by bill section 15 omits the words "or special" in the subsection's final reference. It's not clear whether the omission was intentional. The final line of AS 15.58.020(b) should have been conformed to the amendment made earlier in the subsection: "... scheduled to appear on the primary or special election ballot." *OK*

3. The bill title in the version reported by the committee was incomplete in that it only mentioned ballot initiatives when, in fact, the amendments made to the provisions of AS 15.58 by bill sections 14 and 15 refer to "ballot propositions," a term that includes referenda and, under AS 15.58.020(a)(6), referenced in bill section 15, a "ballot proposition submitted to the voters ... by the legislature." This is a constitutional deficiency in that the title is not fully descriptive. We have amended the title to cure the oversight. *OK*

JBC:ljw
10-192.ljw

Enclosure



217 Second Street, Suite 200 • Juneau, Alaska 99801
Tel (907) 586-1325 • Fax (907) 463-5480 • www.akml.org

March 16, 2010

House Finance Members
Juneau, Alaska

RE: HB 36

The Alaska Municipal League is in full support of the intent of HB 36. Recently, this need was made clear to us as members of the Gag Law Coalition, as we attempt to inform Alaskans as to the importance of voting down an initiative (the Anti-Corruption Initiative) that has been funded by a resident of New York. The group formed by this individual, the Clean Team, has been actively working on this initiative since 2007. However, no financial reporting was due from them until just recently; and that reporting covered a very small period of time.

The voting public had no access to who these people are; where they are from; what their intentions are; etc.

This political group formed by the New York resident, for the purpose of clamping down the ability of state and local government to operate in an open fashion, is known as the Clean Team. They do have a small number of Alaska members. They also operate an office in Anchorage and have used paid signature gatherers over the years.

We feel the funds needed to accomplish the above items should be reportable to APOC and to the Alaskan people.

Sincerely,

Kathie Wasserman
Executive Director

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
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Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

February 25, 2010

SUBJECT: Questions relating to CSSSHB 36(JUD)
(Work Order 26-LS0197AS)

TO: Representative Bill Stoltze
Co-Chair of the House Finance Committee
Attn: Ben Mulligan

FROM: Alpheus Bullard 
Legislative Counsel

You have asked three questions relating to the above-described bill.

1. Would a ban on paying ballot initiative circulators per signature be upheld by an Alaska Court?

The pay-per-signature prohibition contained in CSSSHB 36(JUD)¹ would, as drafted, likely be upheld by a state court against a challenge under the First Amendment.

¹ Section 10 of CSSSHB 36(JUD) amends AS 15.45.110(c) to read:

(c) A circulator may not receive payment or agree to receive payment [THAT IS GREATER THAN \$1 A SIGNATURE], and a person or an organization may not pay or agree to pay an amount, based on the number of registered voters who sign a petition. This subsection does not prohibit a person or an organization from employing a circulator and

(1) paying an hourly wage or salary;
(2) establishing express or implied minimum signature requirements for the circulator;
(3) terminating the petition circulator's employment if the circulator fails to meet certain productivity requirements; or
(4) paying discretionary bonuses based on the circulator's reliability, longevity, and productivity [THAT IS GREATER THAN \$1 A SIGNATURE, FOR THE COLLECTION OF SIGNATURES ON A PETITION].

The circulation of initiative petitions involves core political speech, and is, therefore, protected by the First Amendment. The United States Supreme Court held in Meyer v. Grant, 486 U.S. 414 (1988), that a complete prohibition against paying petition circulators limited core political speech and severely burdened sponsors' First Amendment rights by (1) limiting the number of voices who could convey the petition sponsors' message, (limiting the size of the audience the sponsors would reach), and (2) making it less likely that the initiative petition's sponsors would garner the number of signatures necessary to place the matter on the ballot (limiting the sponsors' ability to make the matter the focus of statewide discussion). Id. at 423 - 424. Similarly, a prohibition against paying election-related petition circulators on any other basis than time worked was also found to create a severe burden on political speech in Citizens for Tax Reform v. Deters, 518 F.3d 378 (U. S. App. 6th Cir. 2008).

If the pay-per-signature prohibition in this bill is challenged, an Alaska court will review the evidence presented to determine the weight of the burden placed on initiative sponsors by the prohibition, and whether the state's interests justify the prohibition.² The bill's proposed prohibition prohibits only the "per-signature" method of paying petition circulators. It does not prevent initiative sponsors from establishing express or implied minimum signature requirements for the circulator, terminating the petition circulator's employment if the circulator fails to meet certain productivity requirements, or paying discretionary bonuses based on the circulator's reliability, longevity, and productivity. Because the prohibition is narrowly drafted to prohibit only a specific form of payment, it is likely to be interpreted by a court as imposing a lesser burden on the political speech of petition sponsors than the prohibitions at issue in Meyer or Citizens for Tax Reform. Like an Oregon prohibition against paying initiative circulators by the signature upheld in

² In Timmons v. Twin Cities Area New Party, 520 U.S. 351 (1997), the Supreme Court established the relevant framework for a court to employ in resolving these competing interests:

When deciding whether a state election law violates First and Fourteenth Amendment associational rights, we weigh the character and magnitude of the burden the State's rule imposes on those rights against the interests the State contends justify that burden, and consider the extent to which the State's concerns make the burden necessary. Regulations imposing severe burdens on plaintiffs' rights must be narrowly tailored and advance a compelling state interest. Lesser burdens, however, trigger less exacting review, and a State's important regulatory interests will usually be enough to justify reasonable, nondiscriminatory restrictions. No bright line separates permissible election-related regulation from unconstitutional infringements on First Amendment freedoms.

Id. at 358 - 359 (internal quotation marks and citations omitted).

Prete v. Bradbury, 438 F.3d 949 (9th Cir. 2006),³ it simply "prohibits one method of payment." Id. at 962.

2. *Can the legislature limit out-of-state contributions and expenditures for initiatives in the same manner as for candidates?*

No. Imposing contribution limits for ballot initiatives, or prohibiting or limiting out-of-state contributions or expenditures made in support of or in opposition to ballot initiatives, would likely be interpreted by a court as an unconstitutional burden on the freedom of speech under the First Amendment to the Constitution of the United States, and article I, section 5 of the Constitution of the State of Alaska.

Campaign finance laws have been found permissible under the First Amendment because they address the problems of political corruption, and the United States Supreme Court has deemed this a sufficient reason to restrict speech. See Buckley v. Valeo, 424 U.S. 1 (1976) (upholding, in large part, the constitutionality of the Federal Election Campaign Act of 1971). However, campaign finance statutes that apply to initiatives and referenda in the same manner as candidate campaigns have been overturned, since an expenditure or a contribution made on behalf of an initiative campaign is not believed to pose the same potential for corruption as does a contribution to a candidate. "Speech relating to ballot initiatives (where quid pro quo corruption is not a significant danger) is entirely protected." State v. Alaska Civil Liberties Union, 478 P.2d 597, 606 - 607 (Alaska 1999). "[B]allot initiatives do not involve the risk of 'quid pro quo' corruption present when money is paid to, or for, candidates." Buckley v. American Constitutional Law Foundation, 525 U.S. 182 (1999), citing Meyer v. Grant, 486 U.S. 414 (1988), citing First National Bank of Boston v. Bellotti, 435 U.S. 765, 786 (1978). Absent the threat of quid pro quo corruption, a court is unlikely to support any limitation on contributions and expenditures relating to an initiative no matter which state the contribution or expenditure is made from.⁴

³ In this case, an Oregon court upheld an initiative pay-per-signature prohibition using the Timmons framework. The court examined the effect of the prohibition on (1) the pool of petition circulators, (2) the cost of gathering signatures, and (3) the invalidity rate of the signatures gathered. The court found that the prohibition did not severely burden initiative sponsors' speech because it (1) did not limit the pool of circulators, (2) restrict the size of the sponsors' potential audience, or (3) make it any less likely that the sponsors would be able to gather the necessary number of signatures to place their initiative on the ballot, and that this lesser burden was justified by the state's important regulatory interest in preventing fraud and its appearances in its electoral processes.

⁴ A federal law, 2 U.S.C. 441(e), already prohibits a foreign national, directly or indirectly, from making a contribution or donation of money or other thing of value in connection with a federal, state, or local election.

3. Does CSSSHB 36(JUD)'s public hearing requirement create a constitutional issue?

The bill's public hearings requirement would present a constitutional problem if it burdened the First Amendment rights of an initiative proponent or an initiative opponent. However, nothing in the provision appears to either burden the speech of an initiative supporter or opponent.

The bill requires the lieutenant governor, or a designee of the lieutenant governor, to hold two or more public hearings concerning the initiative in each judicial district of the state.⁵ Each hearing must include the written or oral testimony of one supporter of the initiative and one opponent of the initiative. No initiative proponent or opponent is required to appear. The hearings provide an opportunity for the public to hear testimony from a person supporting the initiative and a person opposing the initiative. Neither an initiative proponent nor opponent is required to participate. If an initiative proponent or opponent does desire to participate in a hearing held under the provision, the individual need not bear the costs and difficulties of attending the hearings, because the provision allows for testimony to be presented telephonically or in writing. No person's First Amendment right to speak on an initiative is burdened by the provision's hearing requirement.

If you have further questions, please do not hesitate to contact me.

TLAB:plm:ljw
10-073.plm

⁵ There are four judicial districts in the state.

Ben Mulligan

From: Scavera, Paula D (DOL) [paula.scavera@alaska.gov]
Sent: Wednesday, February 10, 2010 10:46 AM
To: Ben Mulligan
Subject: FW: Request from H-FIN Committee

Answers to your questions.

1. Would those employing signature gatherers under an hourly wage fall under the basic labor rules of other employers? i.e. have to pay minimum wage, unemployment insurance, etc.

Employment Security Division

Answer: Yes, under the Employment Security Act, the circulators would be receiving remuneration for services performed, therefore the payments would fall under the definition of "wages" as provided in AS 23.20.530(a). In addition, under the proposed language, the circulators would most likely not meet the criteria for exclusion under AS 23.20.525(a)(8)(A),(B),(C) as independent contractors.

The only exclusions available might be under the provisions of AS 23.20.526(a)(3) if the service performed during the quarter was outside the employer's trade or business, performed by an individual that was not regularly employed and the remuneration was under \$50. An exclusion might also exist under AS 23.20.525(a)(4) if the employer is a non-profit organization that pays any individual less than \$250 a quarter and has less than 4 employees during the current or preceding calendar year.

Division of Labor Standards and Safety

Answer: The method of payment, whether on a per signature rate or hourly rate basis, does not affect minimum wage status. The key issue from a minimum wage perspective is whether the individual is an employee or an independent contractor. Although the payment of an hourly wage tends to indicate an employer/employee relationship due to limitations on the alleged employee's ability to have a profit or loss based on their managerial skill, it is not sufficient to make a determination without considering other factors. These factors must be considered as a whole to determine whether an individual is indeed in business for themselves rather than simply working for and at the direction of an employer. The following criteria established by the Alaska Supreme Court in *Jeffcoat v. State, Department of Labor*, Sup Ct. Op. No. 3162 (File No. S-1444), 732 P.2d 1073 (1987):

- The degree of the alleged employer's right to control the manner in which the work is to be performed;
 - The alleged employee's opportunity for profit or loss depending on their managerial skill;
 - The alleged employee's investment in equipment or materials required for their task, or their employment of helpers;
 - Whether the service rendered requires a special skill;
 - The degree of permanence of the working relationship; and
 - Whether the service rendered is an integral part of the alleged employer's business.
2. The way the bill is currently written, it gives signature gatherer employers the option of giving bonuses as well as hourly, I don't know if that makes a difference to labor. What employers responsibilities would these initiative groups now fall under in regards to labor laws?

Employment Security Division

Answer: Under the proposed language, these bonuses payments are based on service performed by the circulator and would also fall under the definition of wages.

Division of Labor Standards and Safety

Answer: If the signature gatherers were employees and the employer had four employees or more, then a non-discretionary bonus payment would affect the hourly rate and require an additional overtime payment for any overtime hours worked during the time period over which the bonus was earned. (The full explanation of the impact of bonus payments on overtime pay is complex, so I have only given a limited explanation).

This is the answer to both questions from the Workers Compensation Division.

The entity employing the person could be an employer and the initiative circulator could be an employee under the broad definition contained in the Workers' Compensation Act (AS 23.30.395(19) and (20). Initiative circulators or similar persons are not specifically exempted under AS 23.30.230(a), .237 - .242. However, AS 23.30.230(b) provides that "the exclusion of certain persons under (a) of this section may not be construed to require inclusion of other persons as employees for purposes of compensation under this chapter." I would err on the side of inclusion and carry workers' compensation absent a specific exclusion by the legislature.

From: Ben Mulligan [mailto:Ben_Mulligan@legis.state.ak.us]
Sent: Tuesday, February 09, 2010 8:24 AM
To: Scavera, Paula D (DOL)
Subject: Request from H-FIN Committee

Ms. Scavera,

Yesterday in the House Finance Committee we were deliberating House Bill 36, relating to initiatives: contributions/procedures. In Section 10 of the bill they change the way a initiative circulator is paid from a pay per signature basis to an hourly wage with some options. The committee had some questions regarding this section and I thought Dept. of Labor would be a good start.

- Would those employing signature gatherers under an hourly wage fall under the basic labor rules of other employers? i.e. have to pay minimum wage, unemployment insurance, etc.
- The way the bill is currently written, it gives signature gatherer employers the option of giving bonuses as well as hourly, I don't know if that makes a difference to labor. What employers responsibilities would these initiative groups now fall under in regards to labor laws?

Here is the link to the current version of the bill: <http://www.legis.state.ak.us/PDF/26/Bills/HB0036C.PDF> .

Thank you for your assistance.

Ben Mulligan
Staff to Rep. Stoltze
House Finance Committee Aide

FY2010 SUPPLEMENTAL REQUESTS

Sec. No.	Department	Component or Capital	Description of Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
1	Administration	Administrative Hearings	Tax appeal case cost increase - 27 open cases as of January 2010, driving a need to keep all Administrative Law Judge positions filled.	85.0				85.0
2	Administration	EPORS	Elected Public Officers' Retirement System - total of 38 members (retirees and survivors) - increased costs due to mandatory benefit increases based on the salaries of the position from which a member retired.	250.0				250.0
3	Administration	Office of Public Advocacy	Increased operating costs - During FY 2010, OPA has experienced a significant spike in case assignments throughout the state. In the first two quarters of this fiscal year, the agency has seen a 21% increase in case assignments over the same time period in FY 2009. The most notable areas of increase are as follows: criminal defense representation, 47%; child advocacy representation in Child in Need of Aid (CINA) cases, 20%; parental representation in CINA cases, 30%. This amounts to 869 more new cases than over the same time period last year. Due to unexpectedly high growth in the guardianship caseload of 13.6% in FY 2009, the agency added a public guardian position during this fiscal year. Also during FY 2010, to meet the needs of abused and neglected children in the Yukon-Kuskokwim Delta, the agency is issuing a contract for additional guardian ad litem services due to an 18.5% increase in CINA cases during FY 2009.	865.0				865.0
4	Administration	Office of Public Advocacy	Supplemental authorization is needed to accept and spend federal grant funds for the Court Appointed Special Advocate (CASA) program, awarded to the Office of Public Advocacy after the end of the last legislative session.		27.6			27.6
5	Administration	Public Defender Agency	Increased operating costs - The PD has experienced significant increases in caseloads throughout the state in all types of cases in the first and second quarters of FY2010 as compared to the same period in FY2009. All cases statewide are up approximately 10%, felonies are up 15%, and misdemeanors are up 11%. Anchorage felonies are up 16% and misdemeanors are up 8%. Northern Region cases are up 25%, felonies are up 37%, and misdemeanors are up 30%. Overall that means there are 1,000 more new cases assigned already this year than for the same period last year.	800.0				800.0
6	Administration	Motor Vehicles	Federally mandated programming improvements to the National Motor Vehicle Information System - funded via a Department of Justice grant.		100.0			100.0

FY2010 SUPPLEMENTAL REQUESTS

Sec. No.	Department	Component or Capital	Description of Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
7	Administration	Motor Vehicles	Purchase of current technology, digital driver's license printers to replace outdated and increasingly irreparable 2004-purchased printers.		191.8			191.8
8	Commerce, Community and Economic Development	Insurance Operations	Print, mail and legal costs have increased \$300.0 in two years. The division is statutorily required to provide notification of changes in rules, regulations and policies to occupational licensees. The tremendous increase in licensees over the last several years has brought with it increased need for legal counsel. This increase will allow the Division of Insurance to provide basic core functions necessary to ensure a level of consumer protection.			77.1	Receipt Supported Services	77.1
9	Corrections	Institution Director's Office	Coverage of projected shortfalls in 24-hour facilities - fuel and utility costs, and commodities (inmate food, clothing, bedding, institutional cleaning supplies, etc.)	2,409.6				2,409.6
10	Corrections	Wildwood Correctional Center	Operating costs, Wildwood Correctional Center 32-bed prefabricated offender housing unit - opening February 2010 - covers partial-year costs for filling six existing vacant positions.	494.4				494.4
11	Corrections	Physical Health Care	The Department of Corrections is obligated to deliver essential medical care to incarcerated offenders. The department is requesting a supplemental of \$4,650.1 for increased inmate health care costs that includes fees-for-service and Inmate Health Care staff cost overages due to overtime for 24-hour medical coverage. There has been a dramatic increase in catastrophic cases in FY2010, as well as increases in general medical costs.	4,650.1				4,650.1
12	Environmental Conservation	Laboratory Services	Coverage of lab maintenance and service contract shortfalls, in lieu of elimination of 4-5 filled positions - an action which would seriously compromise public health and result in the likely shutdown of the State Lab within a year.	260.0				260.0

FY2010 SUPPLEMENTAL REQUESTS

Sec. No.	Department	Component or Capital	Description of Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
13	Fish and Game	Wildlife Conservation Special Projects	Decrease excess EVOS authority and increase Statutory Designated Program Receipts (SDPR) authority by \$150.0 to a) accept two grants from the National Fish and Wildlife Foundation (NFWF) during the spring of 2009 to support the following research projects: Dall Sheep ecology within northern Alaska, and Reduce conflicts between Grizzly bears and old development within northern Alaska; and b) work with the Matanuska-Susitna Borough to complete some restroom improvements at Reflections Lake in the Palmer Hay Flats. EVOS funding is being reduced as the Hanlequin Duck research by the division was not funded by the EVOS Trustee Council for new work during FY10.	0.0			0.0 EVOS (150.0) SDPR 150.0	0.0
14	Governor	Elections	Offset increased operating costs - coverage of costs for two filed petitions, Dept. Law legal fees for the Nick case, printing and supply purchases specific to the on-election-year, additional election worker training costs, increased postage and printing costs, and annual maintenance of optical scan units.	477.0				477.0
15	Health and Social Services	Behavioral Health Medicaid Services	Medicaid growth - 17% enrollment expansion from October 2008 to December 2009 compounded by growth in utilization of Medicaid services by those enrolled - exceeding projections used to construct the original FY2010 Governor's Request.	4,166.8	4,378.3			8,545.1
16	Health and Social Services	Children's Services Management	Replace unrealizable interagency receipts for Medicaid School Based Claims, without which the division will be unable to meet program operating costs.	165.0				165.0
17	Health and Social Services	Front Line Social Workers	Replace unrealizable interagency receipts for Medicaid School Based Claims, without which the division will be unable to meet program operating costs.	955.3				955.3
18	Health and Social Services	Medicaid Services	Medicaid growth - 17% enrollment expansion from October 2008 to December 2009 compounded by growth in utilization of Medicaid services by those enrolled - exceeding projections used to construct the original FY2010 Governor's Request.	33,296.6	37,319.7			70,616.3
19	Health and Social Services	Health Facilities Survey	Funding to cover shortfall, operating costs - provision of mandated state and federal oversight of state health facilities' licenses - renewal, denial, suspension or revocation as needed - to promote safe and adequate treatment of individuals in state facilities.	396.1				396.1

FY2010 SUPPLEMENTAL REQUESTS

Sec. No.	Department	Component or Capital	Description of Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
20	Health and Social Services	Health Planning and Infrastructure	Funding to replace loss of federal revenues - to cover provision of health care data and policy analysis related to access to services, health insurance coverage, utilization of services, health workforce and industry analysis - and management of the statutorily required Comprehensive Integrated Mental Health Plan.	575.0				575.0
21	Health and Social Services	McLaughlin Youth Center	Funding to cover projected shortfall, mandated client medical services costs - supplemental to be redistributed among four Division of Juvenile Justice facilities.	136.0				136.0
22	Health and Social Services	McLaughlin Youth Center	Funding to cover projected personal services shortfall due to higher than anticipated premium pay costs.	130.6				130.6
23	Health and Social Services	Probation Services	Funding to cover projected personal services shortfall due to an actual vacancy factor lower than budgeted, and need to cover a loss of SDPR revenues funding one position only through 12/31/09.	300.0				300.0
24	Health and Social Services	Energy Assistance Program	Increased federal authority to accept an increase in federal Low Income Home Energy Assistance Program revenues, as announced by the National Energy Assistance Director's Association.		2,300.0			2,300.0
25	Health and Social Services	Women, Children, and Family Health	Replace unrealizable interagency receipts for Medicaid School Based Claims, without which the division will be unable to meet program operating costs.	347.8				347.8
26	Health and Social Services	State Medical Examiner	Unanticipated costs due to caseload increase - will cover one additional autopsy technician, one medical transcriptionist, and increased costs for body transport.	300.0				300.0
27	Health and Social Services	General Relief/Temporary Assisted Living	Additional funding to meet projected increase in both number of clients and service costs within the General Relief program - FY2010 actuals are 15% above those of FY2009 - applicant eligibility review and other cost containment measures in place.	3,800.0				3,800.0
28	Health and Social Services	Senior/Disabilities Medicaid Services	Medicaid growth - 17% enrollment expansion from October 2008 to December 2009 compounded by growth in utilization of Medicaid services by those enrolled - exceeding projections used to construct the original FY2010 Governor's Request.	6,152.4	3,056.8			9,209.2

FY2010 SUPPLEMENTAL REQUESTS

Sec. No.	Department	Component or Capital	Description of Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
29	Health and Social Services	Senior/Disabilities Services Administration	Costs associated with compliance with the Centers for Medicaid and Medicare Services' approved Corrective Action Plan - personal service costs for necessary nonpermanent positions, travel costs connected to conducting assessments under Medicaid Waivers, and modification of the management information system.	885.0	590.0			1,475.0
30	Health and Social Services	Medicaid School Based Administrative Claims	Replace unrealizable interagency receipts for unallowable costs under federally funded RSAs within the department, to stabilize funding for centralized Administrative Support Services.	700.0				700.0
31	Health and Social Services	Information Technology Services	Funding to replace uncollectible federal revenues and cover increased personal service costs for this centralized function - unfunded costs would otherwise either be passed to divisions, resulting in a displacement of core program services, or IT staffing and workload would have to be significantly cut.	1,050.0				1,050.0
32	Law	Deputy Attorney General's Office	Legal analysis and litigation on items not budgeted - Cruise ship study, Kaltag Supreme Court appeal, PERL bankruptcy, and others	964.2				964.2
33	Natural Resources	Gas Pipeline Implementation	The unanticipated agreement between TransCanada Corporation and ExxonMobil to work together to progress the Alaska Gasline Inducement Act (AGIA) Gas Pipeline Project has accelerated the pace of the project. There is currently not enough funding in the FY10 budget to fully fund the four positions in the office. With the faster pace of the project, due diligence contractual requirements have increased, meaning more travel. There may be increased need to represent the state's interest in Washington, D.C., as well as other locations. Competitive Benchmark Study - Competitive benchmarking will allow the state to better understand market and supply changes that have occurred since the AGIA finding that might affect the economic viability of the gasline. There is increased need for additional field work and other small contractual studies needed to ensure the state has the most up-to date and accurate data.	537.6				537.6
34	Natural Resources	Large Project Permitting	Completion of Environmental Impact Statements associated with proposed Outer Continental Shelf oil and gas leasing and exploration activities.	85.0				85.0

FY2010 SUPPLEMENTAL REQUESTS

Sec. No.	Department	Component or Capital	Description of Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
35	Natural Resources	Fire Suppression Activity	The funding included in the FY2010 budget of \$6,712.5 for wildland fire suppression is a "placeholder" amount based on historical cost (SLA 2009, Ch 12, Sec 1, Pg. 34, Ln 7). The amount proved to be insufficient to address the heavy fire activity during the summer of 2009. On July 22, 2009, the Governor signed a Declaration of a Disaster Emergency to authorize the use of additional funds to contain fire suppression operations and activities. New declarations are issued every 30 days. The total of the those declarations for FY2010 in excess of the FY2010 authorized budget is \$35,371,400.	35,371.4				35,371.4
36	Public Safety	Special Projects	Authority for receipt of additional ARRA federal funding to augment personal services costs of a forensic examiner, provide training to investigators in combatting Internet crimes, and purchase computer forensic equipment.		97.0			97.0
37	Public Safety	Special Projects	Continue cold case investigations and illegal drug and alcohol enforcement.	369.5				369.5
38	Public Safety	Prisoner Transportation	Funding to cover projected shortfall in prisoner transportation costs - airline ticket and private charter costs, baggage fees, out-of-state extradition fees and state travel office fees - based on straight-line projection for the year from the past 6.5 months.	300.0				300.0
39	Revenue	Treasury Division	Establish partial-year funding and new state investment officer position, coinciding with a state investment strategy change to support an internal effort to begin active management of other public market investments. Approval of this request and related funding in the Alaska Retirement Management Board (ARMB) component will enable the department to reduce external investment manager fees in the ARMB Custody and Management Fee component.				50.0 I/A Receipts	50.0
40	Revenue	Alaska Retirement Management Board	Increases funding in the Alaska Retirement Management Board (ARMB) component to fund one new investment officer position requested by the Treasury Division. Approval of the new Investment Officer position and funding will enable the department to reduce external investment manager fees in the ARMB Custody and Management Fee component.				50.0 \$8.8 Benefit Systems Receipts \$28.3 PERS \$12.5 TRS \$0.3 JRS \$0.1 NGRS	50.0

FY2010 SUPPLEMENTAL REQUESTS

Sec. No.	Department	Component or Capital	Description of Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
41	Revenue	Alaska Retirement Management Board Custody and Management Fees	Reduced authorization is requested to reflect a decline in management fees resulting from a reduction in actively managed large cap publicly traded stocks as well as a decrease in management fees resulting from manager terminations due to organizational and performance issues and renegotiated contracts at a lower rate. The request represents the potential savings to the State by establishing and funding a new in-house Investment Officer in the Treasury Division to make asset allocation decisions rather than contracting with external managers.				(\$584.6) PERS (\$256.3) TRS (\$7.1) JRS (\$2.0) NGRS	(850.0)
42	Revenue	Permanent Fund Dividend Division	Postage and printing costs for an unanticipated and necessary additional public outreach about the change from hard copy PFD applications to the web version. During this transitional year, however, the division has encountered the need for additional public notification and outreach about the changes that had not initially been anticipated.			94.1	Permanent Fund Dividend	94.1
43	Revenue	Child Support Services Division	One-time fund source change from Receipt Supported Services to federal incentive receipt authority. The Child Support Services Division (CSSD) earned additional federal incentive receipts in FFY2008 for meeting or exceeding federal performance standards. The division received notification on December 17, 2009 that additional FFY08 incentive dollars had been earned.		217.7		Receipt Supported Services	(217.7)
44	Revenue	Administrative Services	The Department of Revenue's servers crashed on 9/20/2009, affecting the Permanent Fund Dividend Application Information System (DAIS), the Tax Division's systems, and State Treasury systems. The need to bring all systems back online was critical. As a result, the department entered into an emergency agreement with Microsoft to provide problem resolution services and assist in bringing the systems back online.	60.1				60.1

FY2010 SUPPLEMENTAL REQUESTS

Sec. No.	Department	Component or Capital	Description of Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
45	Revenue	Administrative Services	<p>The Department of Revenue maintains significant server and database infrastructures that include the Permanent Fund Dividend Division, the Tax Division, and the State Treasury Division. These systems use Microsoft Windows Server, SQL production and test databases VMware, and two NetApp storage filers in Juneau and Anchorage. In order for the department to provide the appropriate level of reliability and operational support, these systems need best practices defined and implemented for security, change control, documentation, backups, disaster recovery and planning.</p> <p>This request is to fund the following two contracts: Disaster Recovery and Security Procedures Backup Support - \$70.0 Windows Server, SQL Server, and Help Desk Support - \$30.0</p>	100.0				100.0
46	Transportation and Public Facilities	Central Region Support Services	<p>Legal Costs Related to Nikishka Beach Road Case</p> <p>The Department of Transportation and Public Facilities (DOT&PF) contends that Offshore Systems Kenai (OSK) is illegally engaged in the obstruction, control and closure of public access to and through Nikishka Beach Road which is a public road owned and operated by DOT&PF. OSK has established a guard shack and gate to prevent access to the road and beach in response to U.S. Coast Guard requirements that they secure and protect OSK's facility from trespass, vandalism, theft, etc.</p> <p>The case began in late FY08 and a trial has taken place; however the Judge has still not issued a ruling on the trial. We have incurred \$45.5 in legal costs through December 2009. If a "Notice of Appeal" is not filed, the estimated amount needed for the Department of Law to complete post trial work is approximately \$15.0 for a total of \$60.5 in FY10.</p>	60.5				60.5

FY2010 SUPPLEMENTAL REQUESTS

Sec. No.	Department	Component or Capital	Description of Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
47	Transportation and Public Facilities	Program Development	<p>Road Weather Information System (RWIS) Maintenance Costs</p> <p>State funding will provide the resources to conduct critical maintenance work on the Department's Road Weather Information System (RWIS) program. The funding is necessary to maintain the RWIS software, equipment and a network of forty-nine (49) environmental sensor stations (ESS) strategically located along the highway system. Each ESS provides weather sensor data (temperature, wind speed, wind direction, relative humidity, pavement and sub-surface temperatures) and camera images.</p> <p>RWIS maintenance activities are not eligible for federal dollars and without adequate funding there is a potential risk of the entire RWIS network becoming inoperable.</p>	175.0				175.0
48	Transportation and Public Facilities	State Equipment Fleet	<p>Increased Operational Costs for Parts, Commodities, Services, and Fuel Purchases</p> <p>Travel - Travel is required to support the repairs and preventative maintenance programs for vehicles and equipment at rural airports and highways. Due to the unprecedented increase in fuel costs, airfares throughout the state were increased, having a direct impact on maintaining existing services.</p> <p>Services - Costs continue stay at higher levels than currently reflected in the component's budget for the shipment of freight such as parts, commodities, vehicles and equipment, the mission of the program is seriously impacted. Additional costs for vendor repairs are also being passed along to the State by the contractors.</p> <p>Commodities - Fuel costs and necessary consumables paid by the State Equipment Fleet and billed to the corresponding executive branch agencies have increased substantially since FY07. An increase in budget authority is required based on the projected use of these services through historical data.</p> <p>Parts and other commodities used by the State have also increased in cost.</p>		2,706.7		Highway Equipment Working Capital Fund	2,706.7
49	Transportation and Public Facilities	Northern Region Facilities	<p>Galena Maintenance Facility Operating and Maintenance Costs</p> <p>The FY09 operating budget contained a \$110.0 increment to maintain a maintenance building at Galena that was transferred to the Department from the U.S. Air Force. That funding level was based upon completion of some aggressive cost savings measures which would be accomplished as part of a capital project for energy improvements. The project is scheduled for completion in the summer of 2010. FY10 estimated expenditures are \$209.9, leaving a projected shortfall of \$99.9.</p>	99.9				99.9

FY2010 SUPPLEMENTAL REQUESTS

Sec. No.	Department	Component or Capital	Description of Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
50	Transportation and Public Facilities	Central Region Highways and Aviation	Enforcement of Clean Water Act - Environmental Protection Agency (EPA) Street Sweeping and Permit Compliance Costs Additional funding is required to meet the minimum requirements of the Environmental Protection Agency (EPA) Municipal Separate Storm Sewer System (MS4) Permit. The MS4 permit will go into effect on February 1, 2010. The EPA's MS4 permit increases the street sweeping requirements that are above and beyond the current MS4 permit, monitoring various aspects of the permit and reporting to EPA with regards to the permit. The FY2011 Governor's budget request includes \$1,682.0 for these new ongoing requirements.	606.0				606.0
51	Transportation and Public Facilities	Northern Region Highways and Aviation	Legal Costs for Material Site Lawsuits Due to ongoing lawsuits filed by one of the regional native corporations for alleged infringement on their land and rights of way, we have incurred excessive costs again this year for Department of Law attorneys. None of the three lawsuits filed have yet gone to court so the total cost is unknown. Additional funding for \$150.0 is based on the amount expended to date for attorneys and expert witnesses.	150.0				150.0
52	Transportation and Public Facilities	Southeast Region Highways and Aviation	Transportation Security Agency Requirements - Door Lock System and Fingerprint Machine To continue to meet Transportation Security Agency requirements a new security access door lock system needs to be installed for the Sitka Airport Terminal. The control system for these doors is outdated and has become unreliable. A replacement system is estimated to cost \$30.0. Transportation Security Administration regulations require the Department to fingerprint all badge holders at our certificated airports. The existing fingerprint machine is out of date and has become unreliable. A new machine is estimated to cost \$14.9.	44.9				44.9

FY2010 SUPPLEMENTAL REQUESTS

Sec. No.	Department	Component or Capital	Description of Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
53	1 Transportation and Public Facilities	Whittier Access and Tunnel	Bid Protest Costs for Whittier Tunnel Operations Contract A bidder protested the award of a contract for operation of the Whittier Tunnel Toll Facility. This resulted in unplanned attorney and hearing officer costs which will continue until a settlement is reached. The Department of Law has billed \$12.0 for attorney services through November 2009, and we estimate \$8.0 of additional legal fees for the remainder of FY10. The Department of Administration has billed \$11.7 for a hearing officer, we anticipate needing approximately \$18.3 (\$3.0 on average) for additional mediation services through June. It is unknown whether there will be additional expenses associated with this litigation such as potential settlement costs.	50.0				50.0
54	1 Transportation and Public Facilities	Whittier Access and Tunnel	Increased Operating Costs and Reduced Toll Revenue at the Whittier Tunnel Additional funding is necessary to fund the operation of the Whittier Tunnel Toll Facility for the remainder of FY10. Additional costs were incurred for cable repair, railroad crossing fees, increased State Equipment Fleet equipment replacement fees, CPI adjustments for the current contract, and additional roadway maintenance work leading up to the tunnel. In addition to increased costs, toll revenues have declined due to economic conditions, reduced cruise ship dockings, and gasoline prices.	385.0				385.0
55	1 Court System	Administration and Support	Appropriation of a settlement the State received on a claim for prepaid phone card long distance charges.	35.5				35.5
56	2		Sets out the funding by agency for the appropriations in Section 1.					
57	3 Commerce, Community and Economic Development	Capital	City of Kodiak: Public Safety Building Community Jail Completion The City of Kodiak requests a municipal grant for \$2.1 million to finish the community jail portion of their new facility. The State contracts with the City of Kodiak for beds in their community jail. The \$2.1 million amount is to finish out that portion of the new facility.	2,100.0				2,100.0
58	3 Corrections	Capital	Replacement of the failed fire alarm system located at the Combined Hilland Mountain Correctional Center, housing units I, II and III. Due to the system's age, repairs are no longer supported by the manufacturer. The department is meanwhile providing a 24/7 fire watch in lieu of the incalculable cost of relocating inmates to another site.	350.0				350.0

FY2010 SUPPLEMENTAL REQUESTS

Sec. No.	Department	Component or Capital	Description of Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
59	Corrections	Capital	Replacement of the Fairbanks Correctional Center frequently failing 1966 steam heating system, at the recommendation of a contracted engineer, with a hot water/glycol heating system that bears a lower cost of operation.	2,500.0				2,500.0
60	Health and Social Services	Capital	Medicaid Management Information System Completion.	6,208.0	8,782.3			14,990.3
61	Transportation and Public Facilities	Capital	Alaska Marine Highway System - Vessel and Terminal Overhaul and Rehabilitation This amends an existing FY2010 project (sec. 1, Ch 15, SLA 2009, page 21, lines 17 - 20), increasing the FY2010 appropriation to \$10,000,000. Annual maintenance and overhaul on vessels and at terminals, particularly component or system failures which will impact service in the short term. Annual overhaul of vessels is necessary to pass United States Coast Guard (USGS) inspections and obtain a Certificate of Inspection (COI) necessary to operate.	4,000.0				4,000.0
62	Transportation and Public Facilities	Capital	Airport Improvement Program - Appropriation Level		5,257.5	15,000.0		20,257.5
63	Transportation and Public Facilities	Capital	Debt Defeasance - International Airports This is a new project request for FY2010. Implement recommendations by the State's bond counsel to minimize the amount of revenue needed to be collected from airport customers and to meet debt service coverage ratios required under the bond resolution rate covenant. This request will allow the International Airport System to meet the technical requirements of the bond resolution rate covenant while also minimizing the amount of revenue needed from rates and fees. Both are required to meet all fiscal obligations and maintain fiscal integrity.	0.0	0.0	15,000.0	International Airport Revenue Fund	15,000.0
64	Transportation and Public Facilities	Capital	Gustavus: Airport Runway Safety Area This amends an existing FY2010 project (sec. 1, Ch 15, SLA 2009, page 25, lines 10 - 11), increasing the FY2010 allocation to \$10,500,000. The Gustavus Airport Runway Safety Area (RSA) does not meet Federal Aviation Administration (FAA) standards for the size of the area surrounding a runway that protects aircraft that land short, over-run, or veer off the paved runway surface. This project consists of the design and construction of an expanded RSA that will meet standards and improve safety for all aircraft operating at Gustavus. The engineer's estimate has been revised and advertising of the project is expected in mid-May, which would allow for construction during summer 2010.		500.0			500.0

FY2010 SUPPLEMENTAL REQUESTS

Sec. No.	Department	Component or Capital	Description of Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
65	Transportation and Public Facilities	Capital	<p>King Cove: Airport Fencing This is a new project request for FY2010. The airport was recently reconstructed including installation of a new lighting system. The King Cove area borders on Izembek National Wildlife Refuge and experiences frequent visitation by brown bears. The new vertical elements of the lighting system are being subjected to intense ursine scrutiny as possible additions to their culinary menu. Resultant equipment damage is becoming excessive and a fencing project is needed to protect the Federal Aviation Administration funded investments and reduce maintenance costs.</p> <p>The engineer's estimate has been revised and advertising of the project is expected in mid-March with contract award expected in mid-May.</p>		1,400.0			1,400.0
66	Transportation and Public Facilities	Capital	<p>Kodiak: Chemical Storage Building This is a new project request for FY2010. This project will provide a safe storage and mixing area for liquid de-icing materials and equipment. Without the building and storage tanks to mix the dry urea for liquid application, the use of sand for runway de-icing will continue. New Alaska Airlines jets have a less-forgiving engine for sand or foreign object debris ingestion which could lead to engine failure. The need to switch from sand to chemical de-icing at Kodiak is further underscored by Central Region Maintenance and Operations' inability to obtain sand that meets the minimum specifications identified by the Federal Aviation Administration (FAA). The de-icing material storage facility will provide a controlled environment, thereby minimizing the possibility of a spill or handling accident. The engineer's estimate has been revised and advertising of the project is expected in mid-February with contract award expected in mid-April.</p>		1,300.0			1,300.0
67	Transportation and Public Facilities	Capital	<p>Niutato: Airport Improvements This is a new project request for FY2010. Resurface the airport operational surfaces, rehabilitate the access road, apply dust palliative, replace lighting, construct a snow removal equipment building, and other improvements as funds allow. This project is expected to be advertised in early March.</p>		827.5			827.5

FY2010 SUPPLEMENTAL REQUESTS

Sec. No.	Department	Component or Capital	Description of Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
68	Transportation and Public Facilities	Capital	<p>Unalaska: Chemical Storage Building</p> <p>This is a new project request for FY2010. This facility is needed in order to use the new de-icing vehicle already in place. The chemical de-icing material is needed to reduce the use of sand at the airport because Maintenance and Operations cannot obtain sand that meets the minimum specifications identified in the new Federal Aviation Administration Circular. Unalaska has frequent periods of zero traction ratings which result in closure of the airport. This building is needed to house the new specialized de-icing truck in a controlled environment minimizing the possibility of a spill or handling accident.</p> <p>The engineer's estimate has been revised and advertising of the project is expected in mid-February with contract award expected in mid-April.</p>		1,230.0			1,230.0
69	Transportation and Public Facilities	Capital	Emergency Repairs - Appropriation level	7,356.1				7,356.1
70	Transportation and Public Facilities	Capital	<p>Central Region Hightower Emergency Maintenance and Repairs</p> <p>This is a new project request for FY2010. Inspections of lighttower lighting structures in Central Region have identified work that needs to be performed on 17 of these structures in order for them to remain structurally sound. This work includes welding repairs and foundation bolt tightening. The repairs will require the use of specialized equipment, crane services, materials, labor, and contracted welding/engineering support.</p>	365.5				365.5
71	Transportation and Public Facilities	Capital	<p>Dyea Road Washout Emergency Repair</p> <p>This is a new project request for FY2010. On August 28, 2009 the ADOT/FF Maintenance Foreman at our Skagway Station alerted us of erosion problems occurring along our Dyea Road adjacent to Taiya River. There are reported to be about 30 residents living beyond the erosion area. The roadway in this area is very narrow with rock wall on the one side and the river on the other. The area has been repaired several times over the years. The erosion caused several areas of the roadway to become very narrow and a major safety issue to the traveling public. Temporary barricades and notices were installed. All work was completed in a timely fashion, just prior to winter weather setting in.</p>	101.6				101.6

FY2010 SUPPLEMENTAL REQUESTS

Sec. No.	Department	Component or Capital	Description of Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
72	Transportation and Public Facilities	Capital	<p>Glenn Highway MP 63.5 Erosion Emergency Repairs</p> <p>This is a new project request for FY2010.</p> <p>The Matamska River eroded into the roadway embankment approximately 400 feet in length, resulting in a 9-foot vertical drop close to the edge of the highway pavement, within one foot at some locations. Immediate repairs taken to preserve the integrity of the embankment and save the highway included placement of super sacks at the toe of the embankment to protect it from further erosion. Permanent repairs will include removal of temporary shore protection, removal of existing guardrail, and installation of new embankment and riprap rock armor for approximately 530 linear feet and installation of new guardrail.</p>	1,125.0				1,125.0
73	Transportation and Public Facilities	Capital	<p>Glenn Highway Slides at MP 101 and 115 Emergency Repairs</p> <p>This is a new project request for FY2010.</p> <p>Emergency repairs performed as a result of slides on the Glenn Highway at MP 101 and 115.</p> <p>MP 101 - A beaver dam failure on the uphill side of the Glenn Highway caused a slide with a large amount of water, gravel and debris overtopping the highway at MP 101 on July 9, 2009. M&O forces responded and initiated immediate repairs by removing debris and gravel from the road surface as well as removing debris from plugged culverts to allow the material to subside naturally.</p> <p>MP 115 - A slide with a large amount of water, mud, and debris overtopped the Glenn Highway at MP 115 on July 16, 2009. M&O forces responded and initiated immediate repairs by removing mud and debris from the highway and reestablished drainage features of the highway ditches.</p>	225.0				225.0
74	Transportation and Public Facilities	Capital	<p>Haines Highway MP 19 Slide Emergency Repairs</p> <p>This is a new project request for FY2010.</p> <p>On August 29, 2009 heavy rains in the Haines area created a gravel, rock and mud slide on, over, and across the Haines Highway from the adjacent hillside. This slide followed a creek bed down to the highway and clogged the culverts and closed the highway to traffic for approximately 4 hrs. Work was completed by ADOT/FF maintenance crews with some equipment rented from local sources. Material was hauled off, highway was cleaned, ditches and culverts were cleaned and re-established, and the upland creek bed was cleared of debris.</p>	80.0				80.0

FY2010 SUPPLEMENTAL REQUESTS

Sec. No.	Department	Component or Capital	Description of Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
75	Transportation and Public Facilities	Capital	<p>Kodiak Flood Emergency Repairs This is a new project request for FY2010. A major storm caused flooding and mudslides on Rezanof Drive, Anton Larsen Bay Road, Chiniak Highway and at the Kodiak Airport totaling approximately 2.3 million dollars. Damage on Anton Larsen Bay Road included replacement of failed culverts, reconstruction of sections of washed out roadway, and repairs to a portion of Red Cloud Bridge that had collapsed into the water. Rezanof Drive required cleaning of ditches, culverts and guardrail repair or replacement, debris removal and slope contouring. Chiniak Highway required culvert replacement, pavement repairs and ditch and culvert cleaning.</p> <p>Funding is requested for costs associated with the October 2009 declared emergency for flood damage on Kodiak Island that are not eligible for reimbursement by the Federal Highway Administration (FHWA) or the Federal Emergency Management Administration (FEMA).</p>	500.0				500.0
76	Transportation and Public Facilities	Capital	<p>Petersville Road Emergency Repairs This is a new project request for FY2010. In May of 2005, a section of Petersville Road near MP 14.5 at Kroto Creek failed. This section of road climbs along the side of the hill and is formed on steep embankments. Due to spring thaw and water a portion of the road embankment slid down the hill. Repair of the embankment failure by Central Region Maintenance and Operations forces is beyond what is considered maintenance. This supplemental request is needed to close the project.</p>	113.7				113.7
77	Transportation and Public Facilities	Capital	<p>Salmon River Road Emergency Repairs This is a new project request for FY2010. August rains and melting glaciers created a heavy river flow that eroded the banks of the Salmon River paralleling our Salmon River Road. This heavy flow washed out over 250 feet of roadway at Mile 7. This area had not been provided bank stabilization. The washout closed the road which at the time was providing access to crews working at a gold mine further up the road. The washout and continued erosion was threatening three power poles along the road. A closely coordinated effort by the ADOT/PF construction section, ADOT/PF maintenance section, the U.S. Forest Service and local private parties completed the project in a timely fashion.</p>	425.3				425.3

FY2010 SUPPLEMENTAL REQUESTS

Sec. No.	Department	Component or Capital	Description of Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
78	Transportation and Public Facilities	Capital	<p>Seward Airport Emergency Repair and Upgrade</p> <p>This is a new project request for FY2010. The Seward Airport Taxiway was damaged by flooding from the Resurrection River in July 2009. Emergency repairs were completed in August of 2009. The Taxiway's location is a low point in the airfield and is inundated with water every time the Resurrection River overflows its bank.</p> <p>A short term solution is to install 19 new 42" culverts alongside the three existing 42" culverts. If funding is not provided for permanent repairs, the State will have to continue performing emergency repairs along the taxiway when the Resurrection River floods. This will cause the taxiway to be shut down and impairs the usage for the Seward Airport.</p>	2,020.0				2,020.0
79	Transportation and Public Facilities	Capital	<p>Whittier Access Emergency Repairs</p> <p>This is a new project request for FY2010. A rockslide covered the Whittier Access Road on April 11, 2009 with approximately 40,000 cubic yards of rock causing a temporary closure, and the need for alternative transportation to and from the City of Whittier. Repairs needed to reopen the road included removing the rock, reestablishing the grade, replacing the guardrail and pavement, and installing concrete barriers.</p>	2,400.0				2,400.0
80	Transportation and Public Facilities	Capital	<p>Highways and Facilities - Appropriation Level</p>	3,021.1				3,021.1
81	Transportation and Public Facilities	Capital	<p>Coffman Cove Maintenance Station</p> <p>This is a new project request for FY2010. Beginning in 2008, Southeast Region Highways and Aviation assumed maintenance responsibility for the 22 mile long Coffman Cove Highway. The closest established maintenance station is at Klawock, approximately 57 miles from Coffman Cove, and too far away to provide efficient maintenance service.</p> <p>The original request in FY2009 underestimated the consultant design fees and construction contract cost, and did not account for construction engineering and administrative costs.</p>	900.0				900.0

FY2010 SUPPLEMENTAL REQUESTS

Sec. No.	Department	Component or Capital	Description of Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
82	Transportation and Public Facilities	Capital	<p>Ester Weigh Station Scale Replacement</p> <p>This is a new project request for FY2010. The Ester Weigh Scale has currently been removed from service due to inaccuracies in its measurements. The steel scale deck support system and steel scale mechanisms have deteriorated beyond the point of reasonable repair. The scale platform is closed and means have been utilized to prevent traffic from driving over this scale assembly for safety reasons.</p> <p>This project was originally requested last year as a supplemental for \$120,000 in federal receive/expend authority. There were/are no federal funds available for this project and it should have been originally requested as general fund authority. The federal authority will be administratively lapsed at the end of the current fiscal year.</p> <p>This new request reflects the updated estimates to replace the scales and get the weigh station opened.</p>	550.0				550.0
83	Transportation and Public Facilities	Capital	<p>Klawock Maintenance Station - Door Replacement</p> <p>This is a new project request for FY2010. The initial project entailed replacing one unsafe door. On investigation by an overhead door technician, it was discovered three other doors have aged and deteriorated to a point replacement is required for safety reasons (doors falling out of control due to worn parts, thereby endangering Departmental staff).</p>	60.0				60.0
84	Transportation and Public Facilities	Capital	<p>Measurement Standards and Commercial Vehicle Enforcement Equipment Replacement</p> <p>This amends an existing FY2010 project (sec. 1, Ch 15, SLA 2009, page 22, lines 8 - 11), increasing the FY2010 appropriation to \$464,100.</p> <p>MSCVE plans to replace a high mileage 3/4-ton pickup truck with a 1-ton class dual rear wheel flatbed with a light duty crane. The 1-ton class test trucks originally built in 2003 have exceeded our expectations for increased device testing efficiency and employee safety and the light duty scale testing fleet will be replaced with this vehicle design over the next decade. Additional capital funds totaling \$30,500 is being requested to accomplish this upgrade.</p> <p>In addition, MSCVE has recently purchased several vehicles with capital funds. These vehicles are replacing older vehicles that were not in the replacement program. A one-time supplemental to bring the replacement program current is being requested in the amount of \$372,100.</p>	402.6				402.6

FY2010 SUPPLEMENTAL REQUESTS

Sec. No.	Department	Component or Capital	Description of Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
85	Transportation and Public Facilities	Capital	<p>Retroactive Asphalt Material Price Adjustment - Glenn/Bragaw Interchange</p> <p>This is a new project request for FY2010. Average rack price for asphalt cement in Alaska increased from \$373/ton in January 2008, to a high of \$710/ton in August that year. Although contractors typically plan for some increase in material costs throughout the life of a contract, they couldn't reasonably anticipate this level of inflation.</p> <p>In August 2008 the department committed to retroactively add an asphalt cement price adjustment, to share the unanticipated inflationary costs with the contractors. The state general funded Glenn / Bragaw project met the criteria for receiving this price adjustment; however the projects budget to complete construction does not have sufficient funding available to reimburse the contractor.</p>	151.5				151.5
86	Transportation and Public Facilities	Capital	<p>Skagway Land Purchase</p> <p>This is a new project request for FY2010. The Skagway Maintenance Station is situated on leased property. In 2008 the Department entered a new lease agreement for the Skagway maintenance station with an option to purchase the 2.23 acre property plus the adjoining 1.59 acre vacant property for a fair market value price of \$513,412. The Department has secured \$107,000 for the purchase of the property and is requesting an additional \$407,000. The option to purchase expires on September 12, 2010. This is the last opportunity to fund the purchase at the negotiated price.</p>	407.0				407.0
87	Transportation and Public Facilities	Capital	<p>Southeast Region Headquarters - Elevator Installation</p> <p>This is a new project request for FY2010. Project includes design, building modifications and installation of a new elevator to bring the state-owned facility into compliance with the Americans with Disabilities Act. Southeast Region does not have sufficient available space to provide ADA accommodations for staff working on the 2nd floor to relocate their workspace to the 1st floor when temporary or permanent disabilities prohibit access to their normal workspace. This lack of space is compounded when relocation does take place due to separation of staff from coworkers. Additionally, public access to all sections on the 2nd floor is inhibited by the lack of adequate conveyance.</p>	450.0				450.0

FY2010 SUPPLEMENTAL REQUESTS

Sec. No.	Department	Component or Capital	Description of Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
88	Transportation and Public Facilities	Capital	State Equipment Fleet Vehicle Lifts This is a new project request for FY2010. Replace the original vehicle lift in Haines, AK. The original lift does not have safety features to prevent damage to equipment and/or injury to staff tasked with using it. Funding will allow for the purchase and installation of equipment that has life-safety features that will support the Department in meeting safe workplace requirements.	100.0				100.0
89	Transportation and Public Facilities	Capital	Regulatory Compliance - Appropriation Level	1,700.0				1,700.0
90	Transportation and Public Facilities	Capital	Kenai Peninsula Watershed Improvements - Clean Water Act, Section 404, Settlement This is a new project request for FY2010. Project fulfills one of two conditions of a negotiated settlement, between the State of Alaska, Department of Transportation (DOT&PF) and the Environmental Protection Agency, for alleged violations of Section 404 of the Clean Water Act (CWA). The funding will be provided to a qualified, third party, non-profit established to preserve, for public benefit, land with significant natural, recreational, or cultural value on the Kenai Peninsula. The non-profit is to purchase and place conservation easements over properties that will preserve water quality and salmon habitat.	900.0				900.0
91	Transportation and Public Facilities	Capital	Revegetation of Anchor River and Deep Creek Highway Embankments - Clean Water Act, Section 404 Settlement This is a new project request for FY2010. Project fulfills one of two conditions of a negotiated settlement, between the State of Alaska, Department of Transportation (DOT&PF) and the Environmental Protection Agency, for alleged violations of Section 404 of the Clean Water Act (CWA). The funding will be utilized to plant and establish natural vegetation and monitor those planting at three sites along the Sterling Highway. The vegetation is to enhance and improve water quality and habitat.	800.0				800.0
92			Sets out the funding by agency for the appropriations in Section 3.					0.0
93	Findings		FY2010 savings from ARRA 2009 Medicaid provisions are applied to the GF supplementals appropriated in this Act.					0.0
94	Corrections	(multiple)	Funding to implement the interest arbitration decision dated March 19, 2009, establishing monetary terms of the collective bargaining agreement with the Alaska Correctional Officers Association, for the fiscal year ending June 30, 2010	3,302.3		32.7		3,335.0

FY2010 SUPPLEMENTAL REQUESTS

Sec. No.	Department	Component or Capital	Description of Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
95	Education and Early Development	Special Schools	Pupil transportation services from Mat-Su to the Alaska School for the Deaf, housed in the Russian Jack Elementary, Hanshew Middle School and East High School of the Anchorage area.	180.0				180.0
96	Health and Social Services	Probation Services	Miscellaneous claim to pay outstanding FY2004 medical bills for a minor in the custody of the Division of Juvenile Justice that received medical treatment from the Central Peninsula Hospital.	0.2				0.2
97	Labor and Workforce Development	Workforce Investment Board	Amend language - the unexpended/unobligated balance from Sec 1, Ch 27, SLA 2008, page 17, line 4 (Branch-wide Oil & Gas Development) is appropriated to Workforce Investment Board for continued work in FY2010.	85.0				85.0
98	Law	Deputy Attorney General's Office	Actual judgments and settlements finalized as of 1/11/2010.	28.9				28.9
99	Natural Resources	Capital	Scope Change: Architecture and Engineering for a New Geologic Material Center [IN EAGLE RIVER] - Phase 1					0.0
100	Natural Resources	Capital	Sale and Replacement of PC7 Aircraft for Wildland Firefighting. Language section to use the proceeds from the sale of aircraft, surplus aircraft parts, and engine escrows for the purchase of replacement aircraft.	2,000.0			General Fund Program Receipts	2,000.0
101	Fund Transfer	Savings Public Education Fund	Fully capitalize the Public Education Fund for the projected FY2011 need for Foundation Formula \$1,053,147.4 and Pupil Transportation \$63,839.2.	1,116,986.6				1,116,986.6
102	Fund Transfer	Small Business Economic Development RLF	Match for federal EDA funds transferred from the Kenai Peninsula Economic Development District - transfer \$79.0 from Revolving Fund to Small Business Economic development Loan Fund - allows for receipt of \$231.3 EDA federal grant funds.			79.0	AIDEA Receipts	79.0
103	Fund Transfer	Disaster Relief Fund	Disaster relief funding - Kodiak Island flood, Pelican water system failure, Steward storm surge - plus fund replenishment in preparation for providing immediate assistance during spring floods and storms.	5,000.0				5,000.0
104	Ratifications (see below)							0.0
105	Retained Fees and Bankcard Services		Amends Section 22(b), ch. 12, SLA 2009 to include the Department of Law statutory authority for receipt of restitutions on juvenile cases.					0.0

FY2010 SUPPLEMENTAL REQUESTS

Sec. No.	Department	Component or Capital	Description of Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
106	Debt Service	International Airport Revenue Bonds	Alaska International Airport System Debt Defeasance Implement recommendations by the State's bond counsel to minimize the amount of revenue needed to be collected from airport customers and to meet debt service coverage ratios required under the bond resolution rate covenant. This request will allow the International Airport System to meet the technical requirements of the bond resolution rate covenant while also minimizing the amount of revenue needed from rates and fees.	0.0	0.0	0.0	(\$10,000.0) International Airport Revenue Fund \$10,000.0 International Airport Construction Fund	0.0
107	Governor	AK Resources Marketing and Development	Extend lapse date from 2/28/2010 to 6/30/2010 for SLA 2009 Ch 14, Sec. 19 - \$8,289.0 for the development of an in-state natural gas pipeline - so that development work may continue.	0.0	0.0	0.0		0.0
108	Savings	Constitutional Budget Reserve	Full Repayment of the Constitutional Budget Reserve The amount necessary for full repayment of the amounts owed the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska), as of June 30, 2010, estimated to be \$401,617,000, is appropriated from the general fund to the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska).	401,617.0				401,617.0
109	17(b)	Budget Reserve Fund	Adds language to access the budget reserve fund (A.S. 37.05.540) to balance the FY2010 budget, if necessary.					0.0
110	Revenue	Treasury Division	Fund Source Change for Constitutional Budget Reserve Fund Investment Management Section 27(c), ch. 12, SLA 2009, is amended to read: (c) The sum of \$1,673,000 is appropriated from the general fund [budget reserve fund (art. IX, sec. 17; Constitution of the State of Alaska)] to the Department of Revenue, treasury division, for operating costs related to management of the budget reserve fund for the fiscal year ending June 30, 2010.	1,673.0		(1,673.0)	Constitutional Budget Reserve Fund	0.0
111	18	Lapse of Appropriations	Section 43(c), ch. 15, SLA 2009 is repealed. That section reads:					0.0
112	19	Repealer	(c) The amount calculated to be available for appropriation under art. IX, sec. 17(b), Constitution of the State of Alaska, for fiscal year 2010 is appropriated under art. IX, sec. 17(b), Constitution of the State of Alaska, from the budget reserve fund to the general fund. The administration is proposing to repay in full the amount owed to the constitutional budget reserve fund in FY2010, and does not want to draw any amount from the fund. Current calculations indicate the above section is not necessary.					0.0

FY2010 SUPPLEMENTAL REQUESTS

Sec. No.	Department	Component or Capital	Description of Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
113			Effective date - Section 7 is immediate upon passage of this Act.					0.0
114			Effective date of the balance of the Act is April 18, 2010.					0.0
115								
116			Total of Supplemental Requests	1,661,150.5	62,351.4	15,316.2		1,738,818.1
117								
118	RATIFICATIONS							
119	13(a)	Natural Resources	AR and AR Name AR 37313-09 Fire General Fund	10,297,678.22				10,297,678.22
120	13(b)(1)	Commerce, Community and Economic Development	AR 29605-08 Alaska Energy Authority Owned Facilities	12.95				12.95
121	13(b)(2)	Education and Early Development	AR 17722-07 Student and School Achievement	293.08				293.08
122	13(b)(3)	Health and Social Services	AR 22708-03 DAS DMA Unbudgeted RSA for Staff Support	140.40				140.40
123	13(b)(4)	Health and Social Services	AR 22730-09 Alaska Commission on Aging Unbudgeted RSA	11.00				11.00
124	13(b)(5)	Health and Social Services	22736-03 DFYS DMA Unbudgeted RSA	0.34				0.34
125	13(b)(6)	Health and Social Services	AR 22791-08 Alaska Rural EMS Optimization Project Unbudgeted RSA	259.54				259.54
126	13(b)(7)	Health and Social Services	AR 23125-05 Behavioral Health Administration	5,482.79				5,482.79
127	13(b)(8)	Health and Social Services	AR 23932-08 Health Planning and Infrastructure	633.78				633.78
128	13(b)(9)	Health and Social Services	AR 23934-06 Information Technology Services	4.92				4.92
129	13(b)(10)	Health and Social Services	AR 23610-05 Epidemiology	295,356.97				295,356.97
130	13(b)(11)	Health and Social Services	AR 23608-05 Certification and Licensing	31,701.51				31,701.51
131	13(b)(12)	Health and Social Services	AR 23315-04 Medicaid State Programs	1,380,444.00				1,380,444.00
132	13(b)(13)	Health and Social Services	AR 23928-05 Medicaid School Based Administrative Claims	221,290.00				221,290.00
133	13(b)(13)	Health and Social Services	AR 23928-06 Medicaid School Based Administrative Claims	2,283,323.00				2,283,323.00
134	13(b)(15)	Health and Social Services	AR 23928-07 Medicaid School Based Administrative Claims	3,060,691.00				3,060,691.00
135	13(b)(16)	Alaska Court System	AR 76560-08 Domestic Violence VAWA RSA	322.50				322.50
136	13(c)(1)	Corrections	AR 50662-05 Anchorage Correctional Complex	409,334.19				409,334.19
137	13(c)(2)	Corrections	AR 50760-07 Probation And Parole Director's Office	2,661.22				2,661.22

FY2010 SUPPLEMENTAL REQUESTS

Sec. No.	Department	Component or Capital	Description of Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
138 13(c)(3)	Education and Early Development	Program Administration	AR 18005-04 Program Administration	22,694.51				22,694.51
139 13(c)(4)	Labor and Workforce Development	Employment Services	AR 28500-02 Employment Services	39.41				39.41
140 13(c)(5)	Labor and Workforce Development	Labor Market Information	AR 28190-05 Labor Market Information	290.99				290.99
141 13(c)(6)	Labor and Workforce Development	Independent Living Rehabilitation	AR 28230-03 Independent Living Rehabilitation	649.53				649.53
142 13(c)(7)	Labor and Workforce Development	Unemployment Insurance	AR 28510-04 Unemployment Insurance	442.91				442.91
143 13(c)(8)	Labor and Workforce Development	Unemployment Insurance	AR 28510-05 Unemployment Insurance	14,592.60				14,592.60
144 13(c)(9)	Labor and Workforce Development	Unemployment Insurance	AR 28510-07 Unemployment Insurance	3,592.15				3,592.15
145 13(c)(10)	Labor and Workforce Development	Unemployment Insurance	AR 28510-08 Unemployment Insurance	150.00				150.00
146 13(c)(11)	Labor and Workforce Development	Capital	AR 27790-08 North Pacific Fisheries Disaster - Aid RSA	4,400.00				4,400.00
147 13(c)(12)	Revenue	Long Term Care Ombudsman Office	AR 15530-07 Long Term Care Ombudsman Office	7,004.19				7,004.19
148 13(c)(13)	Transportation and Public Facilities	Capital	61686-10 Federal Transit Administration Grants	2.18				2.18
149 13(c)(13)	Transportation and Public Facilities	Capital	AR 58096-10 Cooperative Reimbursable Projects	29.65				29.65
150 13(c)(15)	Transportation and Public Facilities	Capital	AR 58622-11 Cooperative Reimbursable Projects	0.37				0.37
151 13(c)(16)	Transportation and Public Facilities	Capital	AR 58662-11 Federal Transit Administration Grants	0.72				0.72
152 13(c)(17)	Transportation and Public Facilities	Capital	AR 59198-11 Alaska Marine Highway Terminal - Alaska Marine Highway System Headquarters Building, Grounds, and Renovation	0.22				0.22
153 13(c)(18)	Transportation and Public Facilities	Capital	58640-10 Alaska Mobility Coalition	0.13				0.13
154 13(c)(19)	Transportation and Public Facilities	Capital	AR 60252-10 Cooperative Reimbursable Projects	0.88				0.88
155 13(c)(20)	Transportation and Public Facilities	Capital	AR 61219-12 Federal Transit Administration Grants	0.17				0.17
156 13(c)(21)	Transportation and Public Facilities	Capital	AR 61009-10 Federal Transit Administration Grants	14,254.03				14,254.03
157 13(c)(22)	Transportation and Public Facilities	Capital	AR 61812-10 Coffman Cove/Wrangell/Petersburg Ferry and Ferry Facilities	0.21				0.21
158 13(c)(23)	Transportation and Public Facilities	Capital	AR 63203-10 Surface Transportation Preconstruction	0.09				0.09
159 13(c)(24)	Transportation and Public Facilities	Capital	AR 61613-10 Federal Transit Administration Grants	2.02				2.02
160 13(c)(25)	Transportation and Public Facilities	Capital	AR 61961-10 Statewide: Various Airports Runway and Heliport Lighting	205.06				205.06

FY2010 SUPPLEMENTAL REQUESTS

Sec. No.	Department	Component or Capital	Description of Supplemental Need	General Funds	Federal Funds	Other Funds	Fund Source	Total Funds
161 13(c)(26)	Transportation and Public Facilities	Capital	AR 62139-10 Alaska Marine Highway; Prince William Sound Fast Vehicle Ferry	1.19				1.19
162 13(c)(27)	Transportation and Public Facilities	Capital	AR 62598-10 Kodiak; Selief Lane Reconstruction	1,062.98				1,062.98
163 13(c)(28)	Transportation and Public Facilities	Capital	AR 62656-10 Cooperative Reimbursable Projects	0.01				0.01

From Ketchikan Daily News; Sat/Sun March 14-15 2009



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Initiatives deserve same vetting as bills

By KYLE JOHANSEN

House Bill 36, also known as the Open and Transparent Initiative Act, is an attempt to tackle an enormous problem we have here in Alaska: Our initiative process is used as a way for special interests to maneuver around the lawmaking body to enact laws without regard for the public as a whole. The right to petition govern- ment belongs to the citizens of Alaska. It is imperative that the process be protected from abuse. HB36 offers those safeguards. I am taking this opportunity to review the changes I believe need to happen to protect our initiative process.

Currently, initiative sponsors are not required to hold public hearings. However, the Legislature is required to hold public hearings on all bills that are voted on as a body. Most bills receive multiple committee referrals and spend hours being publically vetted. Though bills passed by the Legislature and initiatives passed by the people have the same effect, they are not held to the same public-hear- ing requirements. Mandating a pro-

posed initiative go through a public hearing process is an essential element for developing sound public policy. HB36 requires that a standing com- mittee review the proposed initiative. This allows the affected state agencies to come forward and express how the initiative will affect their operations. When a bill is in front of the Legislature, the affected state agencies come before the appropriate commit- tee and explain the implementation of the policy. Initiatives that are passed by the people are law, and the agen- cies that have to administer those laws should be afforded the same ability.

Prohibiting initiatives that are sub- stantially similar to a failed initiative says that the people have spoken. We have seen the same initiatives pro- posed year after year, with a lack of regard for the public's will. If an ini- tiative fails, the public has spoken. However, people's attitudes, beliefs,

and perceptions can change. That is why I think it is appropriate that failed initiatives be restricted from the ballot for one election cycle to save the state money, time, and resources. Signature-gatherers are commonly paid on a per-signature basis. In Alaska, they are not supposed to receive more than \$1 per signature. Twenty-four states have an initiative process, and many have banned the practice of paying per signature because of fraud. Petition circulators in other states have been caught using disingenuous practices to gather more signatures to receive a bigger pay- check. If petition circulators did not collect payment based on the number of signatures, they would be less inclined to commit fraud.

Petition circulators are allowed to solicit signatures for more than one initiative at a time. This means that someone can have multiple chipboards outside the grocery store, shuffling them around while trying to convince you to sign their petitions. It is easy to confuse which petition was explained to you and which petition you have

agreed to sign. Petition circulators should be allowed to collect signa- tures for only one initiative at a time to reduce confusion, deceptive prac- tices, and misleading information.

Unlike the current initiative process, HB36 will go through many public committee hearings where it will be vetted, debated and amended. This is a chance for the public to weigh in on the bill, for lawmakers to ask questions and clarify issues of concern, for changes to be proposed, and many other aspects to be publicly debated so the best public policy is put forward. As a reminder, this is not required of initiative legislation. What you see is what you get, and unfortu- nately, what you don't see is what you get as well.

I encourage you to read the legisla- tion yourself. Please form your own opinion based on the facts of the bill itself, rather than regurgitate informa- tion given to you by parties with their own agenda. HB36 can be found at www.legis.state.ak.us/hasis.
(Republican Kyle Johansen represents Ketchikan in the Alaska House.)

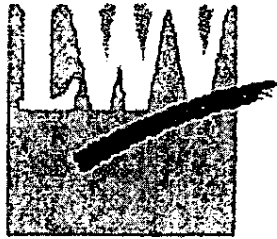
Fighting for Second Amendment rights

STATEMENT OF POSITION

The League of Women Voters of Alaska supports the existing initiative process and makes the following recommendations:

- Initiatives should be voted on only at General Elections, not special or primary elections.
- Support change that requires simplicity and clarity of the wording of initiative questions with a “yes” vote to indicate in favor of the measure and a “no” vote to indicate opposition to the measure.
- Support disclosure on each initiative petition of the name(s) or group(s) that is paying the gatherer and how they are paid, such as by signature or by the hour.
- Support the requirement for not less than 500 qualified voters as sponsors to the prospective petition with the Lieutenant Governor's office.
- Support the requirement for a number of valid signatures not less than ten (10%) percent of the total number of the votes cast in the preceding general elections.
- Support a formula for at least 50 signatures in each of two-thirds of the legislative districts in order to reflect statewide interest in a measure.
- Support the requirement an attorney general advisory opinion as to the constitutionality of each proposed initiative after it has qualified for the ballot, such opinion to be published in the State Election Pamphlet.
- Support the existing limit on time for collecting signatures to one year.
- Support the requirement for a cost analysis to be on each initiative petition.
- Support the requirement that signature gatherers be qualified voters of Alaska.

Adopted 2001 at Post-Convention Board Meeting: Reaffirmed each year since Convention



The League of Women Voters

A Voice For Citizens, A Force For Change

The League of Women Voters of Alaska is a non-partisan political organization that encourages informed and active citizen participation in government, works to increase understanding of major public policy issues, and influences public policy through education and advocacy. We write today to comment on SSHB 36, "An Act relating to ballot initiative proposal applications and to ballot initiatives." While there are provisions of the bill that would improve and strengthen the process in Alaska, others would effectively put the initiative process out of the reach of the average citizen.

Direct democracy through popular initiatives and referenda began a century ago as a grassroots, progressive reform aimed at circumventing corrupt legislatures, increasing civic involvement and wresting control of the state's political process away from well-heeled special interest groups. The initiative process places legislative power directly in the hands of the voters.

After exhaustive study, in 2001 the Alaska League adopted a position (attached) in support of the existing initiative process and made several recommendations for improvements. The League's official position supports "disclosure on each initiative petition of the names(s) or group(s) that is paying the gatherer and how they are paid, such as by signature or by the hour." For that reason, the League is in favor of the provision in SSHB 36 that requires individuals and groups to disclose their financial involvement in preparing and filing an initiative. Voters need to know all sources of support for a proposed ballot initiative in order to make an informed choice regarding support or opposition.

In addition, the League supports the provision in SSHB 36 that reforms the way in which initiative petition collectors are paid. The current practice of paying by the signature creates an incentive that contributes to fraud and erodes the people's trust and support of the initiative process.

The League cannot support three provisions in the bill that would create major barriers to citizen's participation of the initiative process. First, banning an unsuccessful ballot initiative for a two-year "election cycle" is overly restrictive and most likely unconstitutional. We do not believe the legislature has the right to dictate the behavior of citizens as they exercise their right to the law-making process. In addition, requiring a standing committee of the legislature to review the initiative language is intrusive and provides the opportunity for the legislature to kill an initiative with simple inaction. Finally, the provision that requires public hearings in 30 House districts would be a financial burden that only the most well resourced groups can successfully mount – this provision alone has the potential to kill access to the initiative process for the average Alaskan. We urge you to amend SSHB36 to remove these provisions.

Thank you for your consideration of our perspective. Please contact me at 452-4532 for further information pertaining to the Alaska League's positions.

Sincerely,

/s/ Marilyn Russell, President
League of Women Voters of Alaska

Initiative and Referendum in the 21st Century

Final Report and Recommendations
of the NCSL I&R Task Force



NATIONAL CONFERENCE of STATE LEGISLATURES

The Forum for America's Ideas

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July 2002

EXECUTIVE SUMMARY

On December 7, 2001, the National Conference of State Legislatures assembled a task force to review the growing use of initiatives and referendums around the country and to examine their effect on representative democracy at the state level.

The Initiative and Referendum Task Force found that opportunities for abuse of the process outweigh its advantages and does not recommend that states adopt the initiative process if they currently do not have one.

The task force also developed recommendations that would enable initiative states to make their processes more representative. For states that are intent upon adopting an initiative process, the task force offers a set of guidelines to enhance the process and to avoid many of the pitfalls currently experienced by the initiative states. The task force urges such states to consider giving preference to a process that encourages citizen participation without enacting specific constitutional or statutory language—specifically, the advisory initiative or the general policy initiative.

The 34 recommendations contained in this report acknowledge that the initiative process has outgrown the existing laws that govern it. After listening to expert testimony from a wide variety of witnesses and compiling data from all 50 states, the task force concluded that the initiative has evolved from its early days as a grassroots tool to enhance representative democracy into a tool that too often is exploited by special interests. The initiative lacks critical elements of the legislative process and can have both intended and unintended effects on the ability of the representative democratic process to comprehensively develop policies and priorities.

As a result, the task force suggests that initiative states reform drafting, certification, signature-gathering and financial disclosure statutes; adhere to single subject rules; and improve practices regarding voter education. It also recommends that initiatives be allowed only on general election ballots.

It is the task force's intent that the discussion and adoption of the reforms in this report lead to a more thoughtful lawmaking process, improve interaction between initiative proponents and legislatures, and ultimately produce better public policy and reinforce representative democracy.

TASK FORCE RECOMMENDATIONS

The following 34 recommendations were adopted unanimously at the final meeting of the NCSL Initiative and Referendum Task Force in Denver, Colorado, on April 26-27, 2002.

The task force does not recommend that states that currently do not have an initiative process adopt one. The task force believes that representative democracy is more desirable than the initiative. The disadvantages of the initiative as a tool for policymaking are many, and the opportunities for abuse of the process outweigh its advantages. However, if a state is intent upon adopting an initiative process, the first four recommendations lay out the task force's view of an effectively structured process.

The remaining recommendations deal with specific elements of the initiative process and are intended as guidelines to improve existing procedures. The task force believes that the adoption of these recommendations will improve the initiative process to the benefit of both state government and voters and will result in improved public policy making via the initiative.

General Recommendations Regarding the Initiative Process

Recommendation 1.1: States that are considering adopting an initiative process should give preference to one that encourages citizen participation without enacting specific constitutional or statutory language. Specifically, states should consider:

- A. First, adopting the advisory initiative; or
- B. In the alternative, adopting the general policy initiative.

Recommendation 1.2: If states wish to adopt an initiative process and neither the advisory initiative nor the general policy initiative are adopted, they should adopt an indirect initiative process.

Recommendation 1.3: If states adopt a direct initiative process, they should adopt only a statutory initiative process, not a constitutional amendment initiative process.

Recommendation 1.4: If states adopt a constitutional amendment initiative process, they also should adopt a statutory initiative process.

Involving the Legislature in the Initiative Process

Recommendation 2.1: States that currently have a direct initiative process should consider adopting an indirect process as well, and provide incentives to encourage its use.

Recommendation 2.2: After a specified percentage of signatures has been gathered for an initiative petition, the legislature should provide for public hearings on the initiative proposal.

Recommendation 2.3: When appropriate, the legislature should place an alternative legislative referral on the ballot with an initiative that appears on the ballot.

The Subject Matter of Initiatives

Recommendation 3.1: States should encourage the sponsors of initiatives to propose them as statutory initiatives when possible, rather than as constitutional amendments.

Recommendation 3.2: States should adopt the single subject rule to enhance clarity and transparency in the initiative process.

Recommendation 3.3: If an initiative measure is rejected by voters, states should prohibit an identical or substantially similar initiative measure from appearing on the ballot for a specified period of time.

The Drafting and Certification Phase

Recommendation 4.1: States should require a review of proposed initiative language by either the legislature or a state agency. The review should include non-binding suggestions for improving the initiative's technical format and content, and should be considered public information.

Recommendation 4.2: States should require the drafting and certification of a ballot title and summary for each initiative proposal. Ballot titles must identify the principal effect of the proposed initiative and must be unbiased, clear, accurate, and written so that a "yes" vote changes current law.

Recommendation 4.3: States should require the drafting of a fiscal impact statement for each initiative proposal. The statement should appear on the petition, in the voter information pamphlet, and on the ballot.

Recommendation 4.4: States should establish a review process and an opportunity for public challenge of technical matters, including adherence to single subject rules, and ballot title, summary and fiscal note sufficiency, to be made prior to the signature-gathering phase.

The Signature Gathering Phase

Recommendation 5.1: States should require that initiative proponents file a statement of organization as a ballot measure committee prior to collecting signatures. States should void any signature that is gathered before a statement of organization is filed.

Recommendation 5.2: States should provide for safeguards against fraud during the signature gathering process. Safeguards should include:

- A. Prohibiting the giving or accepting of money or anything else of value to sign or not sign a petition.
- B. Requiring a signed oath by circulators, stating that the circulator witnessed each signature on the petition and that to the best of the circulator's knowledge, the signatures are valid.
- C. Requiring circulators to disclose whether they are paid or volunteer.

Recommendation 5.3: States should provide for an adequate but limited time period for gathering signatures. The deadline for submission should allow a reasonable time for verification of signatures before the ballot must be certified.

Recommendation 5.4: States should establish a limit on the length of time that verified signatures are valid.

Recommendation 5.5: States should require a higher number of signatures for constitutional amendments than is required for statutory initiatives.

Recommendation 5.6: To achieve geographical representation, states should require that signatures be gathered from more than one area of the state.

Recommendation 5.7: Each state should establish a uniform process for verifying that the required number of valid signatures has been gathered.

Voter Education

Recommendation 6.1: States should provide to the public a manual describing the initiative and referendum process.

Recommendation 6.2: States should encourage public education and discussion about measures on the ballot.

Recommendation 6.3: States should produce and distribute a voter information pamphlet containing information about each measure certified for the ballot.

Recommendation 6.4: In addition to a printed voter information pamphlet, states should consider alternative methods of providing information on ballot measures, such as the Internet, video and audio tapes, toll-free phone numbers, and publication in newspapers.

Financial Disclosure

Recommendation 7.1: States should require financial disclosure by any individual or organization that spends or collects money over a threshold amount for or against a ballot measure.

Recommendation 7.2: After a title has been certified for an initiative measure, states should require that proponents and opponents of the initiative measure file a statement of organization as a ballot measure committee prior to accepting contributions or making expenditures.

Recommendation 7.3: States should make the disclosure requirements for initiative campaigns consistent with the disclosure requirements for candidate campaigns.

Recommendation 7.4: States should prohibit the use of public funds or resources to support or oppose an initiative measure. This should not preclude elected public officials from making statements advocating their position on an initiative measure.

Voting on Initiatives

Recommendation 8.1: States should allow initiatives only on general election ballots.

Recommendation 8.2: States should adopt a requirement that creates a higher vote threshold for passage of a constitutional amendment initiative than for passage of a statutory initiative.

Recommendation 8.3: States should require that any initiative measure that imposes a special vote requirement for the passage of future measures must itself be adopted by the same special vote requirement.

Recommendation 8.4: States should ensure that statutory initiative measures require the same vote threshold for passage that is required of the legislature to enact the same type of statute.

Recommendation 8.5: States should adopt a procedure for determining which initiative measure prevails when two or more initiative measures approved by voters are in conflict.

INTRODUCTION

Initiative and referendum operated quietly in the background of state politics for much of the 20th century, but during the last decade, it has come back into vogue. More initiatives are circulated, more make it to the ballot, and more money is spent in the process than ever before. Consider the numbers: 183 statewide votes on initiatives in the 1970s, 253 in the 1980s, and 383 in the 1990s, more than double the total from the 1970s. California alone accounts for 130 of the total 819 measures during that 30-year period; Oregon can claim 107. Between them, these two states account for nearly 30 percent of all initiatives from 1970 to 1999. It is no wonder that people in California and Oregon are beginning to voice concerns about the initiative process.

Initiative advocates say the resurgence of the initiative is good for states—it means citizens are using it as a tool to implement new laws and reforms that the legislature is unable or unwilling to enact. Besides accomplishing policy change, supporters also say that initiatives increase citizen involvement with government—people are not only more aware of state policy issues, but they are also more likely to vote. For these reasons, movements have begun to establish an initiative process in some of the states that currently do not have such a process.

However, in some states where the initiative is heavily used, there is growing public frustration with initiatives, and some people are beginning to speak out against the process. Legislatures are struggling to find ways to prevent fraud in the signature-gathering process; disclose information about who pays for initiative campaigns; and add flexibility to the process to accommodate more debate, deliberation and compromise than presently exists. Equally concerning to many is the disadvantage that, unlike our legislatures' process of representative government, decisions made through the initiative process do not provide an opportunity to accommodate minority interests. Most importantly, initiatives ask voters to make simple yes-no decisions about complex issues without subjecting the issue to detailed expert analysis and without asking voters to balance competing needs with limited resources. In short, the initiative affects the ability of representative democracy to develop policies and priorities in a comprehensive and balanced manner.

The problems with the initiative process are not easy to solve for a number of reasons. The courts have made it difficult to regulate both petition circulators and initiative campaign finance, and almost any reform can be a difficult political issue because proponents of the initiative generally are hostile to legislative attempts to change the process.

The initiative is a vital and popular part of democracy in half the states (refer to appendix A for a list of initiative states), but it is clear that the initiative has outgrown the existing state laws governing it. NCSL's Initiative and Referendum Task Force set out to first gather the facts and data necessary to paint an accurate picture of how the initiative process works in each state. It identified and focused on problems in the process, then considered ways that the process might be made more open and flexible. The task force feels strongly that the changes it recommends in the initiative process would equally benefit both voters and the legislative process, and that, in the end, a reformed initiative process might produce better public policy.

The task force met three times during a five-month period. Meetings were held on:

- December 7-8, 2001, in Washington, D.C.;
- February 8-9, 2002, in Washington, D.C.; and
- April 26-27, 2002, in Denver, Colorado.

The task force took great care to ensure that it heard testimony from experts and activists on a wide array of issues and from as many points of view as possible. Presenters included both supporters and critics of the initiative process, citizens who use the initiative process, and election administrators. The experts who testified before the task force were:

David Broder, *Washington Post*, Washington, D.C.;

Lois Court, Save our Constitution, Colorado;

Neal Erickson, Office of the Secretary of State, Nebraska;

Wayne Pacelle, Humane Society of the United States, Washington, D.C.;

John Perez, Speaker's Commission on the California Initiative Process, California;

Honorable Joe Pickens, State Representative, Florida;

Larry Sokol, Speaker's Commission on the California Initiative Process, California;

M. Dane Waters, Initiative and Referendum Institute, Washington, D.C.; and

Joseph F. Zimmerman, State University of New York-Albany, New York.

In addition to the experts who testified before the task force, the task force members themselves are experts on the initiative process. The perspectives and suggestions that each member brought to the table contributed to the extensive body of knowledge the task force developed about how the initiative works around the country. Finally, the task force also relied on a wide array of written materials on the initiative process. These include reports from earlier initiative reform commissions and task forces, and the many books and academic papers that are listed in appendix B and in the reference section of this report.

The task force adopted 30 recommendations for legislatures in the initiative states that are seeking guidance on how their initiative process might be improved. Four additional recommendations are meant for states that may be thinking about adopting an initiative process. Although the task force does not recommend that non-initiative states adopt such a procedure, these four recommendations are offered for those states that have, nonetheless, made the decision to go forward.

All the recommendations were based on a set of observations and conclusions about representative and direct democracy that were adopted by the task force at its first meeting. These principles reflect the task force members' belief that it is important to carefully balance the pure democratic impulse of the initiative with the deliberative, consensus-

building practices of representative democracy. It also is the belief of task force members that the adoption of this set of recommended reforms by initiative states will lead to a more thoughtful lawmaking process, improved interaction between initiative proponents and legislatures, and ultimately, better public policy.

OBSERVATIONS AND CONCLUSIONS ABOUT REPRESENTATIVE AND DIRECT DEMOCRACY

Adopted by the NCSL I&R Task Force on April 27, 2002

We offer in the following observations regarding representative and direct democracy.

1. Representative democracy is the foundation of America's system of government.
2. Representative democracy has provided a stable and flexible system of government that has served America well for more than 200 years.
3. Direct democracy, as envisioned in the initiative and referendum system, was first instituted as a check on representative democracy. It was meant to enhance representative government, not to supercede or abolish it.
4. As intended by its founders, the initiative and referendum process was meant to give citizens a tool to break what they perceived as the hold of special interests over some state legislatures.
5. In most of the 24 states where it exists, the initiative is a popular part of the lawmaking process.
6. The initiative brings to the fore issues that may not receive legislative attention or final action and engages citizens in a debate of important public policy issues.

Based on these observations, we draw the following conclusions about direct democracy.

1. The initiative has evolved from its early days as a grassroots tool to enhance representative government. Today, it is often a tool of special interests.
2. The initiative process, as it exists today, lacks some of the critical elements of the representative system of government, including debate, deliberation, flexibility, compromise and transparency.

3. The initiative process does not involve all the checks and balances that representative government does.
4. The initiative can affect the ability of representative democracy to develop policies and priorities in a comprehensive and balanced manner.
5. As the initiative process and the way it is used have evolved over time, a review of the laws governing it is merited.



NATIONAL CONFERENCE of STATE LEGISLATURES

The Forum for America's Ideas

Banning Payment-per-Signature for Initiative Petition Circulators

Updated May 28, 2008

It is common for initiative sponsors to pay circulators on a per-signature basis to gather petition signatures. Payments typically range from \$1 to \$3 per signature, and occasionally are as high as \$10 per signature. Critics argue that this encourages fraud—since a circulator who collects more signatures will earn more money, circulators who are paid per signature are more likely to commit acts of fraud such as forging signatures or misrepresenting the content of the petition in order to encourage people to sign.

Presently, six states (Montana, Nebraska, North Dakota, Oregon, South Dakota and Wyoming), have laws which ban initiative sponsors from paying petition circulators per signature. Instead, they may pay a flat fee or an hourly salary. These laws have been challenged in the courts with mixed results. North Dakota and Oregon's provisions have been upheld by the U.S. 9th and 8th Circuit Courts, respectively. However, similar provisions in Idaho, Maine, Mississippi, Ohio and Washington were held unconstitutional by federal district courts. The Ohio case was upheld by the U.S. 6th Circuit Court of Appeals in March 2008.

Montana (MCA §13-27-102(2)(b))

"A person gathering signatures for the initiative, the referendum, or to call a constitutional convention...may not be paid anything of value based upon the number of signatures gathered" (2007 Mont. Laws, Chap. 481)

Nebraska (NRS §32-630(3)(g))

No person shall pay a circulator based on the number of signatures collected. (2008 Neb. Laws, L.B. 39)

North Dakota (N.D. Cent. Code §16.1-01-12(11))

"It is unlawful for a person to...[p]ay or offer to pay any person, or receive payment or agree to receive payment, on a basis related to the number of signatures obtained for circulating an initiative, referendum, or recall petition. This subsection does not prohibit the payment of salary and expenses for circulation of the petition on a basis not related to the number of signatures obtained, as long as the circulators file their intent to remunerate prior to submitting the petitions..."

Upheld in 2001 by the U.S. 8th Circuit Court of Appeals, Initiative & Referendum Institute v. Jaeger.

Oregon (Or. Const. Art. IV §1b)

"It shall be unlawful to pay or receive money or other thing of value based on the number of signatures obtained on an initiative or referendum petition. Nothing herein prohibits payment for signature gathering which is not based, either directly or indirectly, on the number of signatures

obtained. [Created through initiative petition filed Nov. 7, 2001, and adopted by the people Nov. 5, 2002]"

Upheld in February 2006 by the U.S. 9th Circuit Court of Appeals, Prete v. Bradbury.

South Dakota (new section added to §12-13 during the 2007 legislative session, HB 1156)

No person may employ, reward, or compensate any person to circulate a petition for an initiated measure, referred law, or proposed amendment to the South Dakota Constitution based on the number of registered voters who signed the petition. Nothing in this section prohibits any person from employing a petition circulator based on one of the following practices:

- (1) Paying an hourly wage or salary;
- (2) Establishing either express or implied minimum signature requirements for the petition circulator;
- (3) Terminating the petition circulator's employment, if the petition circulator fails to meet certain productivity requirements; and
- (4) Paying discretionary bonuses based on reliability, longevity, and productivity.

Any violation of this section is a Class 2 misdemeanor.

Wyoming (Wyo. Stat. §22-24-125)

"A circulator of an initiative or a referendum petition or a person who causes the circulation of an initiative or a referendum petition may not receive payment for the collection of signatures if that payment is based upon the number of signatures collected. Nothing in this section prohibits a circulator of an initiative or a referendum petition or a person who causes the circulation of an initiative or a referendum petition from being paid a salary that is not based upon the number of signatures collected."

Dollar-Amount Limitations on Payment per Signature

In Alaska, circulators may not be paid more than \$1 per signature (AS §15.45.110(c)).

Source: National Conference of State Legislatures

May 2008

For more information, contact Jennie Drage Bowser at 303-856-1356.

Held Unconstitutional:

Idaho

Held unconstitutional in 2001 by a U.S. District Court. Idaho Coalition United for Bears v. Cenarrusa.

Maine (Me. Rev. Stat. tit. 21-A §904-A (REPEALED))

Held unconstitutional in 1999 by the U.S. District Court of Maine. On Our Terms '97 PAC v. Secretary of State of State of Maine.

Mississippi (Miss. Code Ann. §23-17-57(3))

Held unconstitutional in 1997. Term Limits Leadership Council v. Clark, 984 F.Supp. 470 (S.D. Miss. 1997)

Ohio (Ohio Code §3599.111)

Made it a felony to pay petitioners in any manner except upon their time worked.

Declared unconstitutional on December 1, 2006 by a U.S. District Court Judge. Citizens for Tax Reform v. Deters, 1:05-cv-212 (Cincinnati). Upheld by the 6th Circuit Court of Appeals in March 2008.

Washington (REPEALED)

Held unconstitutional in 1994 by a federal district court, LIMIT v. Maleng.

Source: National Conference of State Legislatures

May 2008

For more information, contact Jennie Drage Bowser at 303-856-1356.

April 5, 2009

Representative Jay Ramras, Chair
House Judiciary Committee
Alaska State Legislature
State Capitol
Juneau, AK 99801

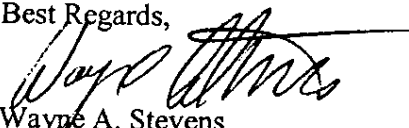
Chair Ramras and Members of the House Judiciary Committee,

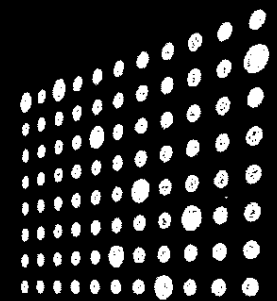
The Alaska State Chamber of Commerce strongly supports sponsor substitute for House Bill 36. As one of our top five legislative priorities, ballot initiative reform legislation is of great interest to our membership. In order for a more fair initiative process to occur, the Chamber advocates for streamlined financial disclosure requirements and additional opportunities for public involvement within the initiative process. SSHB 36 appears to accomplish both of these tasks, which reflect our written policy encompassing this state chamber legislative priority.

For many, the initiative process has become a way of setting un-vetted state policy with little public input or for that matter, little transparency in whom is funding the initiative. For the business of Alaska and the general business of the state, we believe SSHB 36 makes a good attempt at making the initiative process more open with regards to financial disclosures while opening the initiative process up for general input.

We are hopeful this legislation will receive due diligence by your committee and be moved quickly through the legislative process. Please find our attached legislative priority encompassing most of the material found in SSHB 36.

Best Regards,


Wayne A. Stevens
President/CEO



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BY JENNIE DRAGE BOWSER

One of the little-noticed stories of the 2008 election was the escalating tug-of-war between legislatures and activists over the rules governing the citizen initiative process.

The struggle has ramped up dramatically since the 2006 election. Legislatures in the 24 states that allow initiatives have shown a keen interest in improving the process ever since the use of the citizen petition to place issues on the ballot skyrocketed in the 1990s. And recent legislative activity has been higher than ever before.

States have passed about double the number of bills addressing the initiative process in the 2007-2008 biennium (a total of 47 so far, with legislatures still in session in a handful of states) compared to the previous two biennia (22 in 2005-2006 and 32 in 2003-2004).

Why the heightened interest?

The process has changed tremendously in the past two decades. The initiative "industry"—individuals and firms that make a living from the initiative process by researching and drafting proposals, gathering signatures or campaigning for or against initiatives—has exploded. The average number of initiatives on ballots nationwide has doubled from 31 a year in the 1970s to 62 a year in the 2000s. And laws governing the process haven't kept pace.

Some state laws, for example, do not specify which official has the authority to investigate and prosecute abuses, while others lack the capacity to verify that circulators meet the legal qualifications.

Colorado Representative Andy Kerr was one of the co-sponsors of an unsuccessful referendum on the 2008 ballot that would have made qualifying constitutional initiatives harder, but statutory initiatives easier.

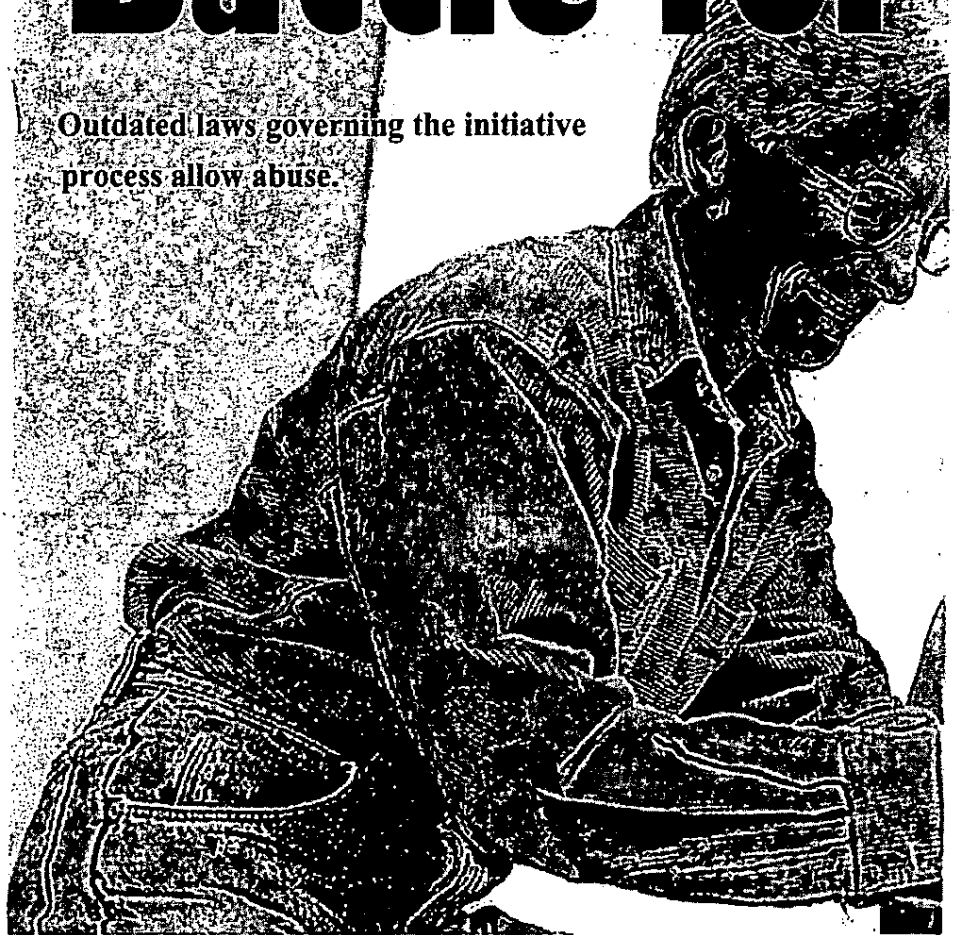


REPRESENTATIVE
ANDY KERR
COLORADO

Jennie Drage Bowser is NCSL's expert on ballot measures.

Battle for

Outdated laws governing the initiative process allow abuse.



He sees flaws in the initiative process, particularly in a state that had more measures on the ballot in 2008 than any other state.

"Citizens have a lot of power to change and propose laws and constitutional amendments," he says. "But the way the process is set up in Colorado, our constitution can be changed frequently without these amendments being fully vetted first."

HARD SELL

It is difficult, however, for legislatures to limit the number of initiatives qualifying for ballots, and whether or not they should is a controversial question. Increasing the number of signatures required, tinkering with time limits and restricting the subject matter involves amending state constitutions. And that requires voter approval.

It isn't always easy to convince voters that changing the process is a good idea, as Kerr

learned in November.

Making the process more difficult rarely slows down well-funded petition efforts that can afford to hire and pay an army of circulators. It's the grassroots efforts, which depend on volunteers, that suffer from higher signature thresholds and shorter petition timeframes.

Details of the process in state law are what legislatures can, and with increasing frequency do, change without voter approval. States have clarified rules for petition formats, restructured timelines to allow for the added administrative burdens of processing a high volume of petitions, and spelled out more clearly the procedures for evaluating and counting signatures. Voter education is an area ripe for reform, too, particularly as technological advances make it easier to use multimedia and multi-lingual approaches to explain measures on the ballot.

the Ballot



SIGNATURE-GATHERING FRAUD

Along with the explosion in the number of initiatives is the issue of fraud. The courts removed at least half a dozen measures from the ballot in 2006 for deceit in gathering signatures. In a Montana case, a court wrote that the "signature-gathering process was permeated ... by a pattern of deceit, fraud and procedural noncompliance."

Specific instances of fraud in Montana, Nevada and Oklahoma included circulators who opened the phone book and forged the signatures of listings onto their petitions. Others inserted carbon paper and a second petition beneath the one they asked voters to sign, thus obtaining a signature on another petition without the signer's knowledge. One circulator told voters they needed to sign in three different places if they supported the issue. In reality, they were unwittingly sign-

ing three separate petitions. And accusations of circulators who misrepresent or conceal the content of their petition are common.

Kristina Wilfore is executive director of the Ballot Initiative Strategy Center, which serves as a clearinghouse for progressive ballot measures. She says policing the process is tough.

"Part of the problem is that the state officials in charge of watching over the process aren't equipped, funded or modernized enough to catch the few bad apples that are responsible for the vast majority of what eventually gets on the ballot," she says.

Wilfore says that it was only a few years ago that she began to hear about extreme abuses in the process by a handful of signature-gathering companies.

Signature-gathering is now dominated by a few professional firms that hire people who make a living moving from state to state. In

more than one initiative state, they are not required to register. That means they cannot be identified or prosecuted for fraud because signatures can't be traced to particular circulator. Wilfore calls the signature-gathering process "one of the most neglected areas" of the initiative process when it comes to state laws and regulations.

Efforts to curb abuse include new laws to ban paying signature gatherers on a per-signature basis, and instead require an hourly wage. Six states now prohibit payment-per-signature, with three of those laws adopted in the 2007-2008 legislative session. Other new laws require circulators to offer people a chance to read the proposal in full before signing, set age and residency requirements for circulators, and apply criminal penalties for forgeries and fraud in knowingly submitting a petition with invalid signatures.

ACTIVISTS STRIKE BACK

Initiative supporters are rarely happy when the legislature enacts changes that add to the cost or complexity of the initiative process. In some states, they have fought back by trying to get measures on the ballot that would make the initiative process easier.

But voters don't necessarily support them. In 2006, Colorado voters rejected Amendment 38, an initiative that would have significantly reduced regulation of the initiative process. And petitions easing regulation of the initiative process were circulated but failed to qualify this year in Arizona, Massachusetts, Oregon and Washington.

Legislatures started calling for reform of the initiative process in the early 2000s. It's not just state legislatures that are calling for reform these days, however. Cities and academic groups and even pro-initiative groups have joined the call for change.

Given the number of initiatives on statewide ballots over the past two decades, it's clear the initiative is not going away. It will continue to be a vibrant process in most of the states that allow it. But it's up to legislatures to ensure the process promotes ethical behavior among those involved, and that the rules surrounding it allow for as much transparency and deliberation as possible without restraining a process whose popularity is not likely to decline. It's not an easy task, and is certain to be one that legislatures grapple with well into the next decade. ■

Jane Pierson

From: Christopher Clark [cgcalaska@yahoo.com]
Sent: Thursday, March 26, 2009 5:52 AM
To: Kevin Adams; Tim Barry; John Bitney; Shannon Devon; Peter Fellman; Linda Hay; Paul Labolle; Karen Lidster; Tom Maher; John Manly; Rynnieva Moss; Jane Pierson; Chris Wyatt
Subject: Kyle Johansen/News-Miner: Alaska's initiatives need review (HB36)

Alaska's initiatives need review

Kyle Johansen

Published Wednesday, March 25, 2009

The Open and Transparent Initiative Act is an attempt to tackle an enormous problem we have in Alaska: Our initiative process is used as a way for special interests to maneuver around the lawmaking body to enact laws without regard for the public as a whole.

The right to petition government belongs to the citizens of Alaska. It is imperative that the process be protected from abuse. HB 36 offers those safeguards. I am taking this opportunity to review the changes I believe need to happen to protect our initiative process.

Initiative sponsors are not required to host public hearings. However, the Legislature is required to host public hearings on all bills that are voted on as a body. Most bills receive multiple committee referrals and spend hours being publicly vetted. Though bills passed by the Legislature and initiatives passed by the people have the same effect, they are not held to the same public hearing requirements. Mandating a proposed initiative go through a public hearing process is an essential element for developing sound public policy.

HB 36 requires that a standing committee review the proposed initiative. This allows the affected state agencies to come forward and express how the initiative will effect their operations. When a bill is in front of the Legislature, the affected state agencies come before the appropriate committee and explain the implementation of the policy. Initiatives that are passed by the people are law, and the agencies that have to administer those laws should be afforded the same ability.

Prohibiting initiatives that are substantially similar to a failed initiative says the people have spoken. We have seen the same initiatives proposed year after year with a lack of regard for the public's will. If an initiative fails, the public has spoken. However, people's attitudes, beliefs and perceptions can change. That is why I think it is appropriate that failed initiatives be restricted from the ballot for one election cycle to save the state money, time and resources.

Signature-gatherers are commonly paid on a per-signature basis. In Alaska, they are not supposed to receive more than \$1 per signature. Twenty-four states have an initiative process, and many have banned the practice of paying per signature because of fraud.

Petition circulators in other states have been caught using disingenuous practices to gather more signatures to receive a bigger paycheck. If petition circulators did not collect payment based on the amount of signatures, they would be less inclined to commit fraud.

Petition circulators are allowed to solicit signatures for more than one initiative at a time. This means that someone can have multiple clipboards outside the grocery store, shuffling them around while trying to convince you to sign their petitions. It is easy to confuse which petition was explained to you and which petition you have agreed to sign.

Petition circulators should be allowed to collect signatures for only one initiative at a time to reduce confusion,

deceptive practices and misleading information.

Unlike the current initiative process, HB 36 will go through many public committee hearings where it will be vetted, debated and amended. This is a chance for the public to weigh in on the bill, for lawmakers to ask questions and clarify issues of concern, for changes to be proposed and many other aspects to be publicly debated so the best public policy is put forward. As a reminder, this is not required of initiative legislation. What you see is what you get, and unfortunately, what you don't see is what you get as well.

I encourage you to read the legislation yourself.

Please form your own opinions based on the facts of the bill itself, rather than regurgitate information given to you by parties with their own agenda. HB 36 can be found at www.legis.state.ak.us/basis.

Rep. Kyle Johansen, R-Ketchikan, is a lifelong Alaskan who serves as majority leader of the Alaska House of Representatives.