

**SENATE JOURNAL**  
**ALASKA STATE LEGISLATURE**  
**TWENTY-SECOND LEGISLATURE -- SECOND SESSION**

**Juneau, Alaska**

**Friday**

**May 3, 2002**

**One Hundred Tenth Day**

Pursuant to adjournment the Senate was called to order by President Halford at 11:40 a.m.

The roll showed twenty members present.

The prayer was offered by the Chaplain, The Reverend George Walter of St. Brendan's Episcopal Church. Senator Hoffman moved and asked unanimous consent that the prayer be spread. Without objection, it was so ordered.

Almighty God, We give You humble and hearty thanks for  
all the blessings of this day, for the freedom to trust in You,  
for the freedom to choose and to fulfill our own potential.  
Help us to follow the rule of law for which we are all  
accountable and in so doing to protect the dignity of all  
human beings. Amen.

Senator Cowdery led the Senate in the Pledge of Allegiance.

**Certification**

Senator Leman moved and asked unanimous consent that the journal for the one hundred ninth legislative day be approved as certified by the Secretary with the following correction:

**HB 404**

Page 3126, under **Allocations with Items Subject to Conference:**

Delete "(pages 3102 - 3125)"  
Insert "(pages 3102 - 3114)"

Without objection, it was so ordered.

**Introduction of Guests**

Senator Elton introduced Congressman Marcos Afonso, from Brazil, accompanied by translator Louis Riggio.

**Messages from the House****HB 403**

Message dated May 2 was read, stating the Speaker has granted limited powers of free conference to the Conference Committee considering

CS FOR HOUSE BILL NO. 403(FIN) am(brf sup maj fld)(efd fld) "An Act making appropriations for the operating and loan program expenses of state government, for certain programs, and to capitalize funds."

and

SENATE CS FOR CS FOR HOUSE BILL NO. 403(FIN) am S(brf sup maj fld S) "An Act making appropriations for the operating and loan program expenses of state government, for certain programs, and to capitalize funds; and providing for an effective date."

on the specific points requested (House Journal pages 3282 - 3308).

**HB 404**

Message dated May 2 was read, stating the Speaker has granted limited powers of free conference to the Conference Committee considering

CS FOR HOUSE BILL NO. 404(FIN) "An Act making appropriations for the operating and capital expenses of the state's integrated comprehensive mental health program; and providing for an effective date."

and

SENATE CS FOR CS FOR HOUSE BILL NO.  
404(FIN)

on the specific points requested (House Journal pages 3282 - 3308).

**SB 331**

Message dated May 2 was read, stating the House passed and returned:

SENATE BILL NO. 331 "An Act relating to the jurisdiction of district courts."

The bill was referred to the Secretary for enrollment.

**SB 11**

Message dated May 3 was read, stating the House has failed to recede from its amendment to CS FOR SENATE BILL NO. 11(FIN) "An Act relating to required school attendance; and providing for an effective date" namely:

CS FOR SENATE BILL NO. 11(FIN) am H "An Act relating to required school attendance and relating to a curriculum for Alaska history; and providing for an effective date." (Title change authorized by HCR 30)

The Speaker has appointed the following members to a Conference Committee to meet with a like committee from the Senate to consider the bills:

Representative Stevens  
Representative Coghill  
Representative Kapsner

President Halford appointed a Conference Committee to meet with the like committee from the House to consider the bills:

Senator Therriault, Chair  
Senator Wilken  
Senator Olson

The Secretary was requested to notify the House.

Message dated May 2 was read, stating the House passed and transmitted for consideration:

**First Reading and Reference of House Bills**

**HB 20**

CS FOR HOUSE BILL NO. 20(RLS) BY THE HOUSE RULES COMMITTEE, entitled:

"An Act relating to organization grants to cities, to state aid for unincorporated communities, and to municipal dividends."

was read the first time and referred to the Community and Regional Affairs and Finance Committees.

**HB 225**

CS FOR HOUSE BILL NO. 225(FIN) am BY THE HOUSE FINANCE COMMITTEE, entitled:

"An Act relating to state taxation of alcoholic beverages; and increasing the alcoholic beverage state tax rates."

was read the first time and referred to the Rules Committee.

**HB 303**

2d CS FOR HOUSE BILL NO. 303(RLS) BY THE HOUSE RULES COMMITTEE, entitled:

"An Act relating to taxation of individual income; and providing for an effective date."

was read the first time and referred to the State Affairs and Finance Committees.

**HB 304**

CS FOR HOUSE BILL NO. 304(2d RLS) am BY THE HOUSE RULES COMMITTEE, entitled:

"An Act relating to the education fund and the infrastructure and economic development fund, to the market value of the permanent fund, to distribution of the income of the permanent fund, and to the determination of net income of the mental health trust fund."

was read the first time and referred to the Judiciary and Finance Committees.

**Concur Messages****SB 337**

Message dated May 2 was read, stating the House passed and returned for consideration SENATE BILL NO. 337 "An Act relating to eligibility for an exemption from municipal property taxes for certain seniors and disabled veterans" with the following amendment:

HOUSE CS FOR SENATE BILL NO. 337(CRA)

Senator Leman moved that the Senate concur in the House amendment.

The question being: "Shall the Senate concur in the House amendment?" The roll was taken with the following result:

HCS SB 337(CRA)

Shall the Senate Concur in the  
House Amendment to SB 337?

**YEAS: 19 NAYS: 0 EXCUSED: 0 ABSENT: 1**

Yea: Austerman, Cowdery, Davis, Donley, Ellis, Elton, Green, Halford, Hoffman, Kelly, Leman, Lincoln, Olson, Stevens, Taylor, Therriault, Torgerson, Ward, Wilken

Absent: Phillips

and so, the Senate concurred in the House amendment, thus adopting HOUSE CS FOR SENATE BILL NO. 337(CRA) "An Act relating to eligibility for an exemption from municipal property taxes for certain seniors and disabled veterans."

The Secretary was requested to notify the House.

The bill was referred to the Secretary for enrollment.

### **Standing Committee Reports**

#### **SB 54**

The Finance Committee considered SENATE BILL NO. 54 "An Act establishing the Alaska Veterans Advisory Council; and providing for an effective date" and recommended it be replaced with

CS FOR SENATE BILL NO. 54(FIN)

Signing do pass: Senators Donley, Kelly, Cochairs, Senators Austerman, Hoffman, Olson, Wilken, Leman, Ward.

The following previously published fiscal information applies:

Fiscal Note No. 2, Department of Military and Veterans Affairs

The bill was referred to the Rules Committee.

#### **SB 348**

The Transportation Committee considered SENATE BILL NO. 348 "An Act relating to insurance for and work on certain motor vehicle repairs; and providing for an effective date" and recommended it be replaced with

CS FOR SENATE BILL NO. 348(TRA)

Signing do pass: Senator Cowdery, Chair, Senators Taylor, Elton, Ward.

The following fiscal information was published today:

Fiscal Note No. 1, zero, Department of Community and Economic Development

The bill was referred to the Labor and Commerce Committee.

**SB 370**

The State Affairs Committee considered SENATE BILL NO. 370 "An Act establishing procedures relating to constitutional conventions" and recommended it be replaced with

CS FOR SENATE BILL NO. 370(STA)

Signing do pass: Senator Therriault, Chair, Senator Phillips. Signing no recommendation: Senator Stevens.

The following fiscal information was published today:

Fiscal Note No. 1, zero, Office of the Governor

The bill was referred to the Rules Committee.

**HB 128**

The Finance Committee considered CS FOR HOUSE BILL NO. 128(L&C)(efd add) "An Act relating to the required approval of the commissioner of labor and workforce development for the employment of certain minors; and providing for an effective date" and recommended it be replaced with

SENATE CS FOR CS FOR HOUSE BILL NO.  
128(FIN)

Signing do pass: Senator Kelly, Cochair, Senators Green, Austerman, Hoffman, Olson, Wilken, Ward, Leman.

The following previously published fiscal information applies:

Fiscal Note No. 1, Department of Labor and Work Force  
Development

The bill was referred to the Rules Committee.

**HB 421**

The Finance Committee considered CS FOR HOUSE BILL NO. 421(RES)(title am) "An Act relating to requiring the Department of Natural Resources to develop and maintain a standardized procedure for processing applications and issuing permits, authorizations, and certifications under the Alaska Water Use Act and to make a record of those items and amendments and orders affecting them available on the Internet" and recommended it be replaced with

SENATE CS FOR CS FOR HOUSE BILL NO.  
421(FIN)

Signing do pass: Senators Donley, Kelly, Cochairs, Senators Green, Austerman, Hoffman, Wilken, Leman, Ward. Signing no recommendation: Senator Olson.

The following fiscal information was published today:  
Fiscal Note No. 3, zero, Senate Finance Committee

The bill was referred to the Rules Committee.

**HB 515**

Forthcoming Finance Senate Committee Substitute (page 3070) for CS FOR HOUSE BILL NO. 515(FIN) am "An Act relating to missions and measures to be applied to certain expenditures by the executive branch of state government and the University of Alaska and by the judicial branch of state government from the state operating budget for the fiscal year ending June 30, 2003; and providing for an effective date" was received today.

**HB 523**

The Transportation Committee considered CS FOR HOUSE BILL NO. 523(TRA) "An Act naming the state airport at the City of Unalaska the Tom Madsen Airport." Signing do pass: Senator Cowdery, Chair, Senators Taylor, Wilken, Elton, Ward.

The following previously published fiscal information applies:  
Fiscal Note No. 1, zero, Department of Transportation and Public Facilities

The bill was referred to the Rules Committee.

**SB 326**

The Rules Committee considered SENATE BILL NO. 326 "An Act relating to evaluating state assumption of the wastewater discharge program under the federal Clean Water Act; and providing for an effective date." Signing to calendar: Senator Phillips, Chair, Senators Cowdery, Therriault. Signing under other recommendations: Senator Ellis.

The bill is on today's calendar.

**Consideration of the Calendar****Reconsideration of Senate Bills****SB 181**

Senator Hoffman requested that the reconsideration on CS FOR SENATE BILL NO. 181(FIN) "An Act relating to the use of money from the housing assistance loan fund, to loans for teacher housing in small communities, and to the interest rate on loans originated or purchased by the Alaska Housing Finance Corporation for small community housing; and providing for an effective date" be taken up. The bill was before the Senate on reconsideration.

Senator Hoffman moved that the bill be returned to second reading for the purpose of a specific amendment, that being Amendment No. 1. Without objection, the bill was returned to second reading.

Senator Hoffman offered Amendment No. 1:

Page 1, line 14, through page 2, line 2:

Delete "the statewide average cost of a single-family house or owner occupied duplex, as determined by the Department of Labor and Workforce Development,"

Insert "\$250,000"

Senator Hoffman moved for the adoption of Amendment No. 1. Senator Donley objected.

Senator Hoffman moved and asked unanimous consent for the adoption of the following amendment to Amendment No. 1:

Delete "\$250,000"  
Insert "\$200,000"

Without objection, Amendment No. 1 was amended.

There being no further objections, Amendment No. 1 as amended was adopted.

CS FOR SENATE BILL NO. 181(FIN) am was automatically in third reading on reconsideration.

Senator Donley offered Title Amendment No. 2:

Page 1, lines 1 - 3:

Delete all material.

Insert "**An Act relating to and increasing the interest rate on that portion of a loan for a single-family house or owner-occupied duplex that exceeds \$200,000 where the loan is for a house or duplex in a small community with a population of 6,500 or less that is not connected by road or rail to Anchorage or Fairbanks, or with a population of 1,600 or less that is connected by road or rail to Anchorage or Fairbanks for purposes of the small community housing program of the Alaska Housing Finance Corporation; relating to loans for teacher housing in which each unit that is not vacant is occupied by at least one individual who is employed as a certificated teacher in a public elementary or secondary school in a small community with a population of 6,500 or less that is not connected by road or rail to Anchorage or Fairbanks, or with a population of 1,600 or less that is connected by road or rail to Anchorage or Fairbanks, and increasing the interest rate on the loans if this occupancy requirement is not complied with;**"

Senator Donley moved for the adoption of Title Amendment No. 2. Without objection, Title Amendment No. 2 was adopted.

Senator Phillips moved and asked unanimous consent to abstain from voting because of a conflict of interest. Objections were heard and Senator Phillips was required to vote.

The question to be reconsidered: "Shall CS FOR SENATE BILL NO. 181(FIN) am "An Act relating to and increasing the interest rate on that portion of a loan for a single-family house or owner-occupied duplex that exceeds \$200,000 where the loan is for a house or duplex in a small community with a population of 6,500 or less that is not connected by road or rail to Anchorage or Fairbanks, or with a population of 1,600 or less that is connected by road or rail to Anchorage or Fairbanks for purposes of the small community housing program of the Alaska Housing Finance Corporation; relating to loans for teacher housing in which each unit that is not vacant is occupied by at least one individual who is employed as a certificated teacher in a public elementary or secondary school in a small community with a population of 6,500 or less that is not connected by road or rail to Anchorage or Fairbanks, or with a population of 1,600 or less that is connected by road or rail to Anchorage or Fairbanks, and increasing the interest rate on the loans if this occupancy requirement is not complied with; and providing for an effective date" pass the Senate?" The roll was taken with the following result:

CSSB 181(FIN) am  
Third Reading - On Reconsideration  
Effective Date

**YEAS: 20 NAYS: 0 EXCUSED: 0 ABSENT: 0**

Yea: Austerman, Cowdery, Davis, Donley, Ellis, Elton, Green, Halford, Hoffman, Kelly, Leman, Lincoln, Olson, Phillips, Stevens, Taylor, Therriault, Torgerson, Ward, Wilken

and so, CS FOR SENATE BILL NO. 181(FIN) am passed the Senate on reconsideration.

Senator Leman moved and asked unanimous consent that the vote on the passage of the bill be considered the vote on the effective date clause. Without objection, it was so ordered and the bill was referred to the Secretary for engrossment.

**Second Reading of Senate Bills****SB 326**

SENATE BILL NO. 326 "An Act relating to evaluating state assumption of the wastewater discharge program under the federal Clean Water Act; and providing for an effective date" was read the second time.

Senator Kelly, Cochair, moved and asked unanimous consent for the adoption of the Finance Committee Substitute offered on page 2831. Senator Ellis objected, then withdrew his objection. There being no further objections, CS FOR SENATE BILL NO. 326(FIN) was adopted and read the second time.

Senator Leman moved and asked unanimous consent that the bill be considered engrossed, advanced to third reading and placed on final passage. Without objection, it was so ordered.

CS FOR SENATE BILL NO. 326(FIN) was read the third time.

The question being: "Shall CS FOR SENATE BILL NO. 326(FIN) "An Act relating to evaluating state assumption of the wastewater discharge program under the federal Clean Water Act; and providing for an effective date" pass the Senate?" The roll was taken with the following result:

CSSB 326(FIN)

Third Reading - Final Passage

Effective Date

**YEAS: 20 NAYS: 0 EXCUSED: 0 ABSENT: 0**

Yea: Austerman, Cowdery, Davis, Donley, Ellis, Elton, Green, Halford, Hoffman, Kelly, Leman, Lincoln, Olson, Phillips, Stevens, Taylor, Therriault, Torgerson, Ward, Wilken

and so, CS FOR SENATE BILL NO. 326(FIN) passed the Senate.

Senator Leman moved and asked unanimous consent that the vote on the passage of the bill be considered the vote on the effective date clause. Without objection, it was so ordered and the bill was referred to the Secretary for engrossment.

**Unfinished Business****SB 274**

The Senate concurred in the House amendment to CS FOR SENATE BILL NO. 274(L&C), thus adopting HOUSE CS FOR CS FOR SENATE BILL NO. 274(L&C) "An Act relating to issuance of a locum tenens permit for a physician or osteopath; and providing for an effective date" on May 2 (page 3099).

Senator Leman moved and asked unanimous consent that the vote on the passage of the bill be considered the vote on the effective date clause. Without objection, it was so ordered.

The Secretary was requested to notify the House.

The bill was referred to the Secretary for enrollment.

Senator Cowdery moved and asked unanimous consent to be excused from a call of the Senate from 12:00 p.m. May 6 through 11:00 a.m. May 7. Without objection, Senator Cowdery was excused.

Senator Ellis moved and asked unanimous consent to be excused from a call of the Senate through morning plane time on May 6. Without objection, Senator Ellis was excused.

**Announcements**

Announcements are at the end of the journal.

**Engrossment****SB 181**

CS FOR SENATE BILL NO. 181(FIN) am "An Act relating to and increasing the interest rate on that portion of a loan for a single-family house or owner-occupied duplex that exceeds \$200,000 where the loan is for a house or duplex in a small community with a population of 6,500 or less that is not connected by road or rail to Anchorage or Fairbanks, or with a population of 1,600 or less that is connected by

road or rail to Anchorage or Fairbanks for purposes of the small community housing program of the Alaska Housing Finance Corporation; relating to loans for teacher housing in which each unit that is not vacant is occupied by at least one individual who is employed as a certificated teacher in a public elementary or secondary school in a small community with a population of 6,500 or less that is not connected by road or rail to Anchorage or Fairbanks, or with a population of 1,600 or less that is connected by road or rail to Anchorage or Fairbanks, and increasing the interest rate on the loans if this occupancy requirement is not complied with; and providing for an effective date" was engrossed, signed by the President and Secretary and transmitted to the House for consideration.

**SB 326**

CS FOR SENATE BILL NO. 326(FIN) "An Act relating to evaluating state assumption of the wastewater discharge program under the federal Clean Water Act; and providing for an effective date" was engrossed, signed by the President and Secretary and transmitted to the House for consideration.

**Enrollment****SCR 32**

SENATE CONCURRENT RESOLUTION NO. 32 Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning House Bill No. 390, relating to the Alaska Seafood Marketing Institute and the salmon marketing tax, was enrolled, signed by the President and Secretary, Speaker and Chief Clerk and the engrossed and enrolled copies transmitted to the Office of the Governor at 3:18 p.m., May 3, 2002.

**SB 255**

CS FOR SENATE BILL NO. 255(RES) "An Act approving an exchange of land between the state and Gold Cord Development Corporation; and providing for an effective date" was enrolled, signed by the President and Secretary, Speaker and Chief Clerk and the engrossed and enrolled copies transmitted to the Office of the Governor at 3:18 p.m., May 3, 2002.

**SB 266**

CS FOR SENATE BILL NO. 266(RES) "An Act authorizing the commissioner of community and economic development to refinance and extend the term of a fishery enhancement loan" was enrolled, signed by the President and Secretary, Speaker and Chief Clerk and the engrossed and enrolled copies transmitted to the Office of the Governor at 3:18 p.m., May 3, 2002.

**SB 297**

SENATE BILL NO. 297 "An Act moving employees of the Alaska mental health trust land unit of the Department of Natural Resources from the partially exempt service to the exempt service" was enrolled, signed by the President and Secretary, Speaker and Chief Clerk and the engrossed and enrolled copies transmitted to the Office of the Governor at 3:18 p.m., May 3, 2002.

**Adjournment**

Senator Leman moved and asked unanimous consent that the Senate stand in adjournment until 11:00 a.m., May 6, 2002. Without objection, the Senate adjourned at 12:48 p.m.

Heidi Vogel  
Secretary of the Senate

May 2002

**Announcements**

Americans with Disabilities Act Notice - Persons with disabilities who require special accommodation or alternative communication formats to access committee meetings may contact the appropriate committee office or the Legislative Information Office in their community. Reasonable advance notice is needed to accommodate the request. For further information, call the ADA Coordinator at 465-3854 Voice/465-4980 TDD.

**STANDING COMMITTEES**

+ indicates teleconference

= indicates bill previously heard/scheduled

**COMMUNITY & REGIONAL AFFAIRS**

<b>May 03</b>	<b>Friday</b>	<b>Fahrenkamp 203</b>	<b>1:30 PM</b>
-- Rescheduled from 5/1/02 --			
+ =	SB 312	ENTERPRISE ZONES	
+	HB 471	AIDEA LOANS AND DIVIDEND	
+	HB 521	MUNICIPAL IMPROVEMENT AREAS	
Bills Previously Heard/Scheduled			

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**FINANCE**

<b>May 03</b>	<b>Friday</b>	<b>Senate Finance 532</b>	<b>9:00 AM</b>
Bills Previously Heard/Scheduled			
-- Teleconference Upon Request --			

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**JUDICIARY**

<b>May 03</b>	<b>Friday</b>	<b>Beltz 211</b>	<b>1:30 PM</b>
+	SJR 13	CONST. AM: PERMANENT FUND	
+	HB 208	AQUATIC FARMS FOR SHELLFISH	
+	HB 286	FISHING PERMITS/ASSOCIATIONS/ASSESSMENTS	
+	HB 498	CORRECTIONAL FACILITIES	
+	Bills Previously Heard/Scheduled		
+	Confirmation Hearing: Legislative Ethics- Arthur S. Robinson		

SENATE JOURNAL

May 3, 2002

3155

**JUDICIARY (continued)**

**May 06 Monday** **Beltz 211** **1:30 PM**  
+ HB 330 PROVIDING ALCOHOL TO PERSONS UNDER 21  
Bills Previously Heard/Scheduled

**May 08 Wednesday** **Beltz 211** **1:30 PM**  
+ HB 348 VIOLATION OF A DOMESTIC VIOLENCE ORDER  
+ HB 350 TERRORISTIC THREATS  
+ Bills Previously Heard/Scheduled

**May 10 Friday** **Beltz 211** **1:30 PM**  
+ Bills Previously Heard/Scheduled

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**LABOR & COMMERCE**

**May 04 Saturday** **Beltz 211** **9:00 AM**  
-- Time Change --  
+= HB 274 WORKERS' COMP: HEARING/MEDICAL EXAM  
+= HB 246 OMNIBUS INSURANCE BILL  
+= HB 393 SALES OF BUSINESS OPPORTUNITIES  
+= HB 499 SUCCESSOR LIABILITY FOR PRODUCT LIABILITY  
+ Bills Previously Heard/Scheduled

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**RESOURCES**

**May 03 Friday** **Butrovich 205** **3:30 PM**  
+ Confirmation Hearings:  
AK Commercial Fisheries Entry Commission-  
Mary McDowell  
Board of Fisheries-  
Art Nelson  
Gerry Merrigan  
Brett Huber  
+ SB 371 PERMIT EXEMPTION FOR MUNITIONS USE  
+ Bills Previously Heard/Scheduled

**May 06 Monday** **Butrovich 205** **3:30 PM**  
+= HB 302 ALASKA GAS CORPORATION  
+= HB 382 CLEANUP OF ILLEGAL DRUG SITES  
+ HB 474 ANCHORAGE COASTAL WILDLIFE REFUGE  
+ Bills Previously Heard/Scheduled

May 3, 2002

## **RESOURCES (continued)**

**May 08      Wednesday      Butrovich 205      3:30 PM**

+ SB 366 CHITINA DIP NET FISHERY PERMIT FEE  
+ HB 287 EXEMPT ENTRY PERMITS FROM CREDITOR CLAIMS  
+= HB 447 COM FISH & AGRICULTURE BANK INTEREST RATE  
+ Bills Previously Heard/Scheduled

## **RULES**

**May 06**      **Monday**      **Fahrenkamp 203**      **10:30 AM**

SB 239 STATE EMPLOYEES CALLED TO MILITARY DUTY  
SB 359 MUNICIPAL ORGANIZATION GRANTS  
= HB 206 LIMITED ENTRY FOR COMM. FISHERIES  
= HB 262 BUILDING SAFETY ACCOUNT  
= SCR 36 SUSPEND UNIFORM RULES FOR HB 262  
HB 288 LIMITED ENTRY BUY-BACK PROGRAM/ASSESSMENT

STATE AFFAIRS

## JOINT COMMITTEES

## ARMED SERVICES COMMITTEE

**May 03**      **Friday**      **House Finance 519**      **1:30 PM**  
+      Admiral Thomas Barrett, US Coast Guard  
            Pat Ladner, AK Aerospace Development Corp

## **CONFERENCE COMMITTEES ON HB 403 & HB 404**

**May 03 Friday**      **Senate Finance 532**      **3:30 PM**

-- Meeting Canceled --

= HB 403 APPROP: OPERATING BUDGET/LOANS/FUNDS  
= HB 404 APPROP: MENTAL HEALTH BUDGET

Depts to be discussed are:

## Depts to see a Dept of Law

## Dept of Labor and Workforce Development

## Alaska Court System