

SENATE JOURNAL
ALASKA STATE LEGISLATURE
TWENTY-FOURTH LEGISLATURE

FIRST SESSION

Juneau, Alaska

Wednesday

March 23, 2005

Seventy-third Day

Pursuant to adjournment the Senate was called to order by President Stevens at 11:19 a.m.

The roll showed eighteen members present. Senators Ellis, Elton were excused from a call of the Senate.

The prayer was offered by the Chaplain, John Symons of the Juneau Unitarian Universalist Fellowship. Senator Hoffman moved and asked unanimous consent that the prayer be spread. Without objection, it was so ordered.

Today we ask the spirit and higher power that is greater than all of us to help you during your deliberations.

We ask for help:

To promote the inherent worth and dignity of every person;

To accept that justice, equality and compassion is a foundation for the promotion, negotiations and passage of bills and regulations;

To accept each other, and your public without prejudice.

We ask for help:

That during all deliberations there is a free and responsible search for truth and meaning;

That there is an honest and truthful democratic process in the achievement of the public's objectives. You are our elected servants.

That we, as a State and ultimately a world community, promote "peace, liberty and justice" for all;

And lastly, that you have respect for the interdependent web of all existence of which we are a part.

Senator Kookesh led the Senate in the Pledge of Allegiance.

Certification

Senator Gary Stevens moved and asked unanimous consent that the journal for the seventy-second legislative day be approved as certified by the Secretary. Without objection, it was so ordered.

Messages from the Governor

SB 56

Message dated and received March 22 was read, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CONFERENCE CS FOR SENATE BILL NO. 56
"An Act relating to criminal law and procedure, criminal sentences, and probation and parole; and providing for an effective date."

Chapter 2, SLA 2005
Effective Date: 3/23/2005

SB 14

Message dated and received March 22 was read, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE CS FOR SENATE BILL NO. 14(STA) "An Act relating to municipal initiative and referendum elections."

Chapter 3, SLA 2005
Effective Date: 6/20/2005

Messages from the House

SB 98

Message dated March 22 was read, stating the Speaker granted limited powers of free conference to the House conferees considering HOUSE CS FOR CS FOR SENATE BILL NO. 98(FIN) am H and CS FOR SENATE BILL NO. 98(FIN) am "An Act making supplemental appropriations, capital appropriations, and other appropriations; amending appropriations; making appropriations to capitalize funds; making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional budget reserve fund; and providing for an effective date" on the specific points requested.

President Stevens granted limited powers of free conference to the Senate conferees March 22 (page 658).

Message dated March 22 was read, stating the House passed and transmitted for consideration:

First Reading and Reference of House Bills

HB 108

CS FOR HOUSE BILL NO. 108(FIN) am BY THE HOUSE FINANCE COMMITTEE, entitled:

"An Act relating to the regulation of water and sewer utilities of political subdivisions that are not in competition with other water and sewer utilities; and providing for an effective date."

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

Standing Committee Reports**HB 90**

The State Affairs Committee considered HOUSE BILL NO. 90 "An Act requiring warrants drawn by the Department of Administration against the state treasury to be negotiable instruments." Signing do pass: Senator Therriault, Chair; Senators Elton, Wagoner, Huggins, Davis.

The following previously published fiscal information applies:

Fiscal Note No. 1, zero, Department of Administration

The bill was referred to the Rules Committee.

HB 97

The State Affairs Committee considered CS FOR HOUSE BILL NO. 97(FIN) "An Act relating to the authority to take oaths, affirmations, and acknowledgments in the state, to notarizations, to verifications, to acknowledgments, to fees for issuing certificates with the seal of the state affixed, and to notaries public; and providing for an effective date" and recommended it be replaced with

SENATE CS FOR CS FOR HOUSE BILL NO.
97(STA)

Signing no recommendation: Senator Therriault, Chair; Senators Elton, Wagoner, Huggins, Davis.

The following previously published fiscal information applies:

Fiscal Note No. 1, Office of the Governor

The bill was referred to the Finance Committee.

SJR 14

The State Affairs Committee considered SENATE JOINT RESOLUTION NO. 14 Urging the United States Congress to amend the tax code to permanently repeal the federal estate and generation-skipping transfer tax. Signing do pass: Senator Therriault, Chair; Senators Huggins, Davis. Signing no recommendation: Senators Elton, Wagoner.

The following fiscal information was published today:
Fiscal Note No. 1, zero, Department of Revenue

The resolution was referred to the Finance Committee.

Special Committee Reports

SB 98

The following report was received and distributed at 12:46 p.m.,
March 22, 2005:

March 22, 2005

Mr. President:

Mr. Speaker:

The CONFERENCE COMMITTEE with limited powers of free conference considered CS FOR SENATE BILL NO. 98(FIN) am and HOUSE CS FOR CS FOR SENATE BILL NO. 98(FIN) am H and recommends

CONFERENCE CS FOR SENATE BILL NO. 98 "An Act making supplemental appropriations, capital appropriations, and other appropriations; amending appropriations; making appropriations to capitalize funds; making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional budget reserve fund; and providing for an effective date."

be adopted.

Signing the report: Senator Wilken, Chair, Senators Green; Hoffman; Representative Chenault, Chair, Representatives Meyer, Croft.

Senator Gary Stevens moved that the Senate adopt the Conference Committee Report on CONFERENCE CS FOR SENATE BILL NO. 98.

The question being: "Shall the Senate adopt the Conference Committee Report on CONFERENCE CS FOR SENATE BILL NO. 98 "An Act making supplemental appropriations, capital appropriations, and other appropriations; amending appropriations; making appropriations to capitalize funds; making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional budget reserve fund; and providing for an effective date"?" The roll was taken with the following result:

CCS SB 98

Adopt Conference Committee Report?

Effective Dates

YEAS: 16 NAYS: 2 EXCUSED: 2 ABSENT: 0

Yeas: Bunde, Cowdery, Dyson, Green, Guess, Hoffman, Huggins, Kookesh, Olson, Seekins, Stedman, Stevens B, Stevens G, Therriault, Wagoner, Wilken

Nays: Davis, French

Excused: Ellis, Elton

and so, the report was adopted.

Senator Gary Stevens moved and asked unanimous consent that the vote on the adoption of the conference committee report be considered the vote on the effective date clauses. Without objection, it was so ordered.

Senator Gary Stevens moved and asked unanimous consent that the vote on the adoption of the conference committee report be considered the vote on the adoption of the constitutional budget reserve fund section. Senator Hoffman objected.

The question being: "Shall the constitutional budget reserve fund section (Article IX, Section 17(c) Constitution of the State of Alaska) be adopted?" The roll was taken with the following result:

CCS SB 98

Adopt Budget Reserve Fund Section?

YEAS: 18 NAYS: 0 EXCUSED: 2 ABSENT: 0

Yeas: Bunde, Cowdery, Davis, Dyson, French, Green, Guess, Hoffman, Huggins, Kookesh, Olson, Seekins, Stedman, Stevens B, Stevens G, Therriault, Wagoner, Wilken

Excused: Ellis, Elton

and so, the constitutional budget reserve fund section was adopted, and the bill was referred to the Secretary for engrossment and enrollment.

Introduction and Reference of Senate Bills

SB 151

SENATE BILL NO. 151 BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR, entitled:

"An Act excepting from the Alaska Net Income Tax Act the federal deduction regarding income attributable to certain domestic production activities; and providing for an effective date."

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

The following fiscal information was published today:

Fiscal Note No. 1, indeterminate, Department of Revenue

Governor's transmittal letter dated March 22:

Dear President Stevens:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill excepting from the Alaska Net Income Tax Act the federal deduction regarding income attributable to certain domestic production activities.

Last year Congress passed legislation (American Jobs Creation Act of 2004) that created a new federal tax deduction for corporations regarding income attributable to certain domestic production activities. Alaska tax law automatically adopts such federal tax deductions unless the Legislature explicitly excepts to them (AS 43.20.021(a)). Because of Alaska's unique reliance on natural resource development, this particular deduction will have major impacts on the state's revenue flow. The Department of Revenue estimates that this federal tax deduction could cut \$100 million from state corporate income tax revenue over the next decade.

With the passage of this legislation, Alaska's corporate income tax structure will stay the same as it is under the current regime. This will provide continued stability and tax certainty to corporations operating in the State of Alaska.

Several other states also have introduced legislation to "de-couple" their tax code from this new federal provision, including Montana, New Jersey, Maryland, North Dakota and West Virginia. Massachusetts has enacted such legislation.

I urge your prompt and favorable action on this measure.

Sincerely yours,

/s/

Frank H. Murkowski
Governor

Consideration of the Calendar

Citations

Honoring – Juneau "Downtown" Rotary Club, 70th Year Anniversary
Representative(s) Weyhrauch, Kerttula
Senator(s) Elton, Ben Stevens, Bunde, Cowdery, Davis, Dyson, Ellis, Green, Guess, Hoffman, Huggins, Kookesh, Olson, Seekins, Stedman, Gary Stevens, Therriault, Wagoner, Wilken

Honoring – Robert “Bob” Adkins

Representative(s) Harris

Senator(s) Therriault, Ben Stevens, Bunde, Cowdery, Davis, Dyson, Ellis, Elton, Green, Guess, Hoffman, Huggins, Kookesh, Olson, Seekins, Stedman, Gary Stevens, Wagoner, Wilken

In Memoriam – Knute Johnson

Representative(s) Thomas

Senator(s) Kookesh, Ben Stevens, Bunde, Cowdery, Davis, Dyson, Ellis, Elton, Green, Guess, Hoffman, Huggins, Olson, Seekins, Stedman, Gary Stevens, Therriault, Wagoner, Wilken

In Memoriam – Robert G. Boko

Representative(s) Holm, Coghill, Salmon

Senator(s) Wilken, Ben Stevens, Bunde, Cowdery, Davis, Dyson, Ellis, Elton, French, Green, Guess, Hoffman, Huggins, Kookesh, Olson, Seekins, Stedman, Gary Stevens, Therriault, Wagoner

Senator Gary Stevens moved and asked unanimous consent that the citations be adopted. Without objection, the citations were adopted and referred to the Secretary for transmittal.

Unfinished Business

Senator Dyson moved and asked unanimous consent to be excused from a call of the Senate from afternoon plane time, March 29 to afternoon plane time, March 31 and from evening plane time, April 6 to April 10. Without objection, Senator Dyson was excused.

Senator French moved and asked unanimous consent to be excused from a call of the Senate to morning plane time on March 29. Without objection, Senator French was excused.

Senator Kookesh moved and asked unanimous consent to be excused from a call of the Senate from evening plane time, March 28 to evening plane time, March 30. Without objection, Senator Kookesh was excused.

Senator Olson moved and asked unanimous consent to be excused from a call of the Senate on March 24. Without objection, Senator Olson was excused.

Announcements

Announcements are at the end of the journal.

Adjournment

Senator Gary Stevens moved and asked unanimous consent that the Senate stand in adjournment until 10:00 a.m., March 24, 2005. Without objection, the Senate adjourned at 11:42 a.m.

Kirsten Waid
Secretary of the Senate

March 2005

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

Mar 23	Wednesday -- Meeting Canceled -- Bills Previously Heard/Scheduled	Beltz 211	1:30 PM
Mar 25	Friday No Meeting Scheduled	Beltz 211	1:30 PM

FINANCE

Mar 23	Wednesday + SB 46 APPROP: CAPITAL BUDGET Natural Resources, Public Safety, Revenue + Bills Previously Heard/Scheduled	Senate Finance 532	9:00 AM
Mar 24	Thursday No Meeting Scheduled	Senate Finance 532	9:00 AM
Mar 25	Friday No Meeting Scheduled	Senate Finance 532	9:00 AM

HEALTH, EDUCATION & SOCIAL SERVICES

Mar 23 Wednesday Butrovich 205 1:30 PM
 -- Time Changed from 2 pm to 1:30 pm --
 += SB 74 CRIMES INVOLVING MARIJUANA/OTHER DRUGS
 + Bills Previously Heard/Scheduled

Mar 25 Friday Butrovich 205 1:30 PM
 No Meeting Scheduled

JUDICIARY

Mar 23 Wednesday Butrovich 205 8:30 AM
 + SB 126 AQUATIC FARMING
 + SB 129 WRONGFUL FILING OF LIS PENDENS
 + Bills Previously Heard/Scheduled

Mar 24 Thursday Butrovich 205 8:30 AM
 + SJR 12 URGE CONFIRM US SUPREME COURT NOMINEES
 + Bills Previously Heard/Scheduled

LABOR & COMMERCE

Mar 24 Thursday Beltz 211 2:00 PM
 -- Time Change --
 += SB 2 LIEN REQUIREMENTS
 Bills Previously Heard/Scheduled
 Including But Not Limited to:
 = SB 130 WORKERS' COMPENSATION
 = SB 140 BAN INTERNET SPYWARE

RESOURCES

Mar 23 Wednesday Butrovich 205 3:30 PM
 -- Meeting Canceled --
 Bills Previously Heard/Scheduled
 += SB 113 GULF OF ALASKA GROUND FISH FISHERY
 -- Testimony <Invitation Only> --

RESOURCES (continued)

Mar 25	Friday No Meeting Scheduled	Butrovich 205	3:30 PM
Mar 28	Monday No Meeting Scheduled	Butrovich 205	3:30 PM
Mar 30	Wednesday Joint w/(H) Resources Nenana Basin Gas & Oil Project <Please Note Time & Location>	Senate Finance 532	2:30 PM
Apr 01	Friday -- Meeting Canceled --	Butrovich 205	3:30 PM
+ SB 113	GULF OF ALASKA GROUND FISH FISHERY -- Testimony <Invitation Only> --		

STATE AFFAIRS

Mar 24	Thursday No Meeting Scheduled	Beltz 211	3:30 PM
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TRANSPORTATION

Mar 24	Thursday No Meeting Scheduled	Butrovich 205	1:30 PM
Apr 05	Tuesday Joint w/(H) Transportation Port of Tacoma - Briefing Federal Aviation Administration Weather Camera Program - Briefing	Butrovich 205	1:30 PM

JOINT COMMITTEES**LEGISLATIVE BUDGET & AUDIT**

Mar 30 **Wednesday** **House Finance 519** **5:00 PM**
+ Executive Session
 Other Committee Business
 -- Testimony <Invitation Only> --

OTHER MEETINGS**JOINT LEGISLATIVE HEALTH CAUCUS**

Mar 23 **Wednesday** **Butrovich 205** **12:00 PM**
 "911: It's Your Life! "Inner Workings
 of Emergency Medical Services

JOINT SESSION

Mar 30 **Wednesday** **House Chamber** **11:00 AM**
 Address by U.S. Senator Lisa Murkowski