SENATE JOURNAL

ALASKA STATE LEGISLATURE

TWENTY-FOURTH LEGISLATURE

SECOND SESSION

Juneau, Alaska Thursday March 30, 2006

Eighty-first Day

Pursuant to adjournment the Senate was called to order by President Stevens at 11:06 a.m.

The roll showed twenty members present.

The prayer was offered by the Chaplain, Senator Stedman. Senator Hoffman moved and asked unanimous consent that the prayer be spread. Without objection, it was so ordered.

Oh God of Many Names.

Sustainer of all Worlds.

You encompass the whole universe within Yourself for everything exists in You.

Breathe Your everlasting Spirit in us.

Enlighten us with Your truth.

Pour Your wisdom in our hearts so that we become enriched and renewed.

Lay Your hands upon us as we make substantial decisions that affect Alaskans.

Guide us as we mold policies in the best interest of the people.

Lead us as we take a proactive approach to cure the gaps that have occurred in our system.

Amen.

Senator Guess led the Senate in the Pledge of Allegiance.

Certification

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

Messages from the House

Message dated March 29 was read, stating the House passed and transmitted for consideration:

First Reading and Reference of House Bills

HB 365

CS FOR HOUSE BILL NO. 365(FIN) am(brf sup maj fld) BY THE HOUSE FINANCE COMMITTEE, entitled:

"An Act making appropriations for the operating and loan program expenses of state government, for certain programs, and to capitalize funds; making appropriations for state aid to public schools, centralized correspondence study, and transportation of pupils; and providing for an effective date."

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

HB 366

CS FOR HOUSE BILL NO. 366(FIN) BY THE HOUSE FINANCE COMMITTEE, entitled:

"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."

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

Standing Committee Reports

SB 248

The Community and Regional Affairs Committee considered SENATE BILL NO. 248 "An Act relating to administrative boroughs; relating to municipal school districts; relating to standards for incorporation of boroughs and unified municipalities; eliminating obsolete provisions relating to a third class borough and making technical changes to statutes relating to regional educational attendance areas; and relating to new borough grants for certain newly incorporated boroughs and unified municipalities." Signing no recommendation: Senator Stedman, Chair; Senator Wagoner. Signing do pass: Senator Gary Stevens.

The following fiscal information was published today:
Fiscal Note No. 1, Department of Commerce, Community and
Economic Development

The bill was referred to the Finance Committee.

SB 305

The Resources Committee considered SENATE BILL NO. 305 "An Act repealing the oil production tax and gas production tax and providing for a production tax on the net value of oil and gas; relating to the relationship of the production tax to other taxes; relating to the dates tax payments and surcharges are due under AS 43.55; relating to interest on overpayments under AS 43.55; relating to the treatment of oil and gas production tax in a producer's settlement with the royalty owner; relating to flared gas, and to oil and gas used in the operation of a lease or property, under AS 43.55; relating to the prevailing value of oil or gas under AS 43.55; providing for tax credits against the tax due under AS 43.55 for certain expenditures, losses, and surcharges; relating to statements or other information required to be filed with or furnished to the Department of Revenue, and relating to the penalty for failure to file certain reports, under AS 43.55; relating to the powers of the Department of Revenue, and to the disclosure of certain information required to be furnished to the Department of Revenue, under AS 43.55; relating to criminal penalties for violating conditions governing access to and use of confidential information relating to the oil and gas production tax; relating to the deposit of money collected

by the Department of Revenue under AS 43.55; relating to the calculation of the gross value at the point of production of oil or gas; relating to the determination of the net value of taxable oil and gas for purposes of a production tax on the net value of oil and gas; relating to the definitions of 'gas,' 'oil,' and certain other terms for purposes of AS 43.55; making conforming amendments; and providing for an effective date" and recommended it be replaced with

CS FOR SENATE BILL NO. 305(RES) "An Act providing for a production tax on oil and gas; repealing the oil and gas production (severance) tax; relating to the calculation of the gross value at the point of production of oil or gas and to the determination of the value of oil and gas for purposes of the production tax on oil and gas; providing for tax credits against the tax for certain expenditures and losses; relating to the relationship of the production tax on oil and gas to other taxes, to the dates those tax payments and surcharges are due, to interest on overpayments of the tax, and to the treatment of the tax in a producer's settlement with the royalty owners; relating to flared gas, and to oil and gas used in the operation of a lease or property under the production tax; relating to the prevailing value of oil or gas under the production tax; relating to surcharges on oil; relating to statements or other information required to be filed with or furnished to the Department of Revenue, to the penalty for failure to file certain reports for the tax, to the powers of the Department of Revenue, and to the disclosure of certain information required to be furnished to the Department of Revenue as applicable to the administration of the tax; relating to criminal penalties for violating conditions governing access to and use of confidential information relating to the tax, and to the deposit of tax money collected by the Department of Revenue; amending the definitions of 'gas,' 'oil,' and certain other terms for purposes of the production tax, and as the definition of the term 'gas' applies in the Alaska Stranded Gas Development Act, and adding further definitions; making conforming amendments; and providing for an effective date."

Signing do pass: Senator Wagoner, Chair. Signing do not pass: Senator Ben Stevens. Signing no recommendation: Senators Elton, Kookesh. Signing amend: Senators Dyson, Seekins, Stedman.

The following previously published fiscal information applies: Fiscal Note No. 1, zero, Department of Natural Resources Fiscal Note No. 2, Department of Revenue

The bill was referred to the Finance Committee.

Consideration of the Calendar

Second Reading of Senate Bills

SB 251

SENATE BILL NO. 251 "An Act relating to immunization for meningitis of postsecondary students residing on campus" was read the second time.

Senator Gary Stevens 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.

SENATE BILL NO. 251 was read the third time.

The question being: "Shall SENATE BILL NO. 251 "An Act relating to immunization for meningitis of postsecondary students residing on campus" pass the Senate?" The roll was taken with the following result:

SB 251

Third Reading - Final Passage

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

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

and so, SENATE BILL NO. 251 passed the Senate and was referred to the Secretary for engrossment.

SB 310

SENATE BILL NO. 310 "An Act relating to the employment of prisoners; and providing for an effective date" was read the second time.

President Stevens stated SENATE BILL NO. 310 will be on the March 31 calendar.

Second Reading of House Bills

HB 92

CS FOR HOUSE BILL NO. 92(JUD) "An Act relating to the purchase of interests in nonprofit corporations by the University of Alaska" was read the second time.

Senator Seekins, Chair, moved and asked unanimous consent for the adoption of the Judiciary Senate Committee Substitute offered on page 2409. Without objection, SENATE CS FOR CS FOR HOUSE BILL NO. 92(JUD) "An Act relating to the purchase of interests in corporations, including limited liability companies, by the University of Alaska" was adopted.

President Stevens stated SENATE CS FOR CS FOR HOUSE BILL NO. 92(JUD) will be on the March 31 calendar.

Second Reading of Senate Resolutions

SCR 21

SENATE CONCURRENT RESOLUTION NO. 21 Relating to the Vietnam War, to veterans, and to the Vietnam War memorial entitled "The Moving Wall" was read the second time.

Senator Therriault, Chair, moved and asked unanimous consent for the adoption of the State Affairs Committee Substitute offered on page 2568. Without objection, CS FOR SENATE CONCURRENT RESOLUTION NO. 21(STA) Relating to the Vietnam War, to veterans and their families, and to the Vietnam War memorial entitled "The Moving Wall" was adopted and was before the Senate on final passage.

The question being: "Shall CS FOR SENATE CONCURRENT RESOLUTION NO. 21(STA) Relating to the Vietnam War, to veterans and their families, and to the Vietnam War memorial entitled "The Moving Wall" pass the Senate?" The roll was taken with the following result:

CSSCR 21(STA) Final Passage

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

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

and so, CS FOR SENATE CONCURRENT RESOLUTION NO. 21(STA) passed the Senate and was referred to the Secretary for engrossment.

Citations

Honoring – Max Treinen

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

Honoring – Anchorage Community Concert Band Representative(s) Lynn

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

Honoring – Creighton Boyd, 2006 Alaska Youth of the Year Award Representative(s)Thomas

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

Honoring – Life Achievements of Merle "Mudhole" Smith Representative(s) Hawker, Samuels Senator(s) Bunde, Cowdery, Ben Stevens, Davis, Dyson, Ellis, Elton, French, Green, Guess, Hoffman, Huggins, Kookesh, Olson, Seekins, Stedman, Gary Stevens, Therriault, Wagoner, Wilken

In Memoriam – Specialist Michael Ignatius Edwards, Alaska National Guard, Company B, 1st Battalion, 207th Aviation Senator(s) Guess, Ben Stevens, Bunde, Cowdery, Davis, Dyson, Ellis, Elton, French, Green, Hoffman, Huggins, Kookesh, Olson, Seekins, Stedman, Gary Stevens, Therriault, Wagoner, Wilken Representative(s) Gruenberg

In Memoriam – Gwendolyn (Flores) Hoffman Senator(s) Hoffman, Ben Stevens, Bunde, Cowdery, Davis, Dyson, Ellis, Elton, Green, Guess, Huggins, Kookesh, Olson, Seekins, Stedman, Gary Stevens, Therriault, Wagoner, Wilken Representative(s) Kapsner

In Memoriam – Margaret Irene (Kameroff) Sirilo Senator(s) Hoffman, Ben Stevens, Bunde, Cowdery, Davis, Dyson, Ellis, Elton, Green, Guess, Huggins, Kookesh, Olson, Seekins, Stedman, Gary Stevens, Therriault, Wagoner, Wilken Representative(s) Kapsner

In Memoriam – Frederick W. Pete, Sr.
Senator(s) Hoffman, Ben Stevens, Bunde, Cowdery, Davis, Dyson,
Ellis, Elton, Green, Guess, Huggins, Kookesh, Olson, Seekins,
Stedman, Gary Stevens, Therriault, Wagoner, Wilken
Representative(s) Kapsner

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.

Senator Gary Stevens moved and asked unanimous consent that the following citation be made a special order of business. Without objection, it was so ordered.

Special Order of Business

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

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

Unfinished Business

SB 232

Senator Gary Stevens moved and asked unanimous consent that the concur message on HOUSE CS FOR CS FOR SENATE BILL NO. 232(FIN) am H "An Act making appropriations, supplemental appropriations, and capital appropriations; amending appropriations and funding sources; making appropriations to capitalize funds; and providing for an effective date" which had been held on the Secretary's desk (page 2607), be brought up at this time. Without objection, it was so ordered.

Senator Gary Stevens moved that the Senate concur in the House amendments and recommended the body vote no.

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

HCS CSSB 232(FIN) am H
Shall the Senate Concur in the House
Amendments to CSSB 232(FIN)? Effective Date

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

Yeas: Hoffman, Olson

Nays: Bunde, Cowdery, Davis, Dyson, Ellis, Elton, French, Green, Guess, Huggins, Kookesh, Seekins, Stedman, Stevens B, Stevens G, Therriault, Wagoner, Wilken

and so, the Senate failed to concur.

The Secretary was requested to notify the House of the Senate's action and request the House to recede from its amendments. In the event the House fails to recede, the President appointed a Conference Committee to meet with a like committee from the House to consider the bills:

Senator Wilken, Chair Senator Green Senator Hoffman

Announcements

Announcements are at the end of the journal.

Engrossment

SB 251

SENATE BILL NO. 251 "An Act relating to immunization for meningitis of postsecondary students residing on campus" was engrossed, signed by the President and Secretary and transmitted to the House for consideration.

SCR 21

CS FOR SENATE CONCURRENT RESOLUTION NO. 21(STA) Relating to the Vietnam War, to veterans and their families, and to the Vietnam War memorial entitled "The Moving Wall" was engrossed, signed by the President and Secretary and transmitted to the House for consideration.

Adjournment

Senator Gary Stevens moved and asked unanimous consent that the Senate stand in adjournment until 11:00 a.m., March 31, 2006. Without objection, the Senate adjourned at 11:33 a.m.

Kirsten Waid Secretary of the Senate

March 2006

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

Friday No Meeting Scheduled	Beltz 211	1:30 PM
Monday No Meeting Scheduled	Beltz 211	1:30 PM
Wednesday No Meeting Scheduled	Beltz 211	1:30 PM
Friday No Meeting Scheduled	Beltz 211	1:30 PM
	No Meeting Scheduled Monday No Meeting Scheduled Wednesday No Meeting Scheduled Friday	No Meeting Scheduled Monday No Meeting Scheduled Wednesday No Meeting Scheduled Friday Beltz 211 Beltz 211

FINANCE

Mar 30	Thursday	Senate Finance 532	9:00 AM
	Meeting Canceled		
+= SB 305	OIL AND GAS PRODU	CTION TAX	
	<pending referral=""></pending>		
+	Bills Previously Heard/S	cheduled	
Mar 31	Friday	Senate Finance 532	9:00 AM
+= SB 305	OIL AND GAS PRODU	CTION TAX	
+	Bills Previously Heard/S	cheduled	

FINANCE (continued)

Apr 01 += SB 305 +	Saturday OIL AND GAS PRODU Bills Previously Heard/S	CTION TAX	10:00 AM
Apr 03 += SB 305 +	Monday OIL AND GAS PRODU Bills Previously Heard/S		9:00 AM
Apr 04 += SB 305 +	Tuesday OIL AND GAS PRODUBILS Previously Heard/Se		9:00 AM
Apr 05 += SB 305 +	Wednesday OIL AND GAS PRODUBILS Previously Heard/Se		9:00 AM
Apr 05 + HB 365	Wednesday Note Time Change APPROP: OPERATING Subcommittee Reports to	Senate Finance 532 BUDGET/LOANS/FUNDS Full Committee	1:00 PM
Apr 06 += SB 305 +	Thursday OIL AND GAS PRODU Bills Previously Heard/Se		9:00 AM
+= SB 305 + Apr 06	OIL AND GAS PRODUBILS Previously Heard/Se Thursday Note Time Change	CTION TAX cheduled Senate Finance 532 BUDGET/LOANS/FUNDS	9:00 AM 1:00 PM
+= SB 305 + Apr 06 += HB 365	OIL AND GAS PRODUBILS Previously Heard/Se Thursday Note Time Change APPROP: OPERATING	CTION TAX cheduled Senate Finance 532 BUDGET/LOANS/FUNDS	

FINANCE (continued)

Apr 07 += SB 305 +	Friday OIL AND GAS PRODU Bills Previously Heard/S		9:00 AM
Apr 07	Friday	Senate Finance 532	1:00 PM
_	Note Time Change		
+= HB 365	APPROP: OPERATING	BUDGET/LOANS/FUNDS	
	Continuation - Statewide	Public Testimony	
	(public testimony may b	•	
	more than 3 minutes)		
	1:00 pm Bethel, Nome,	Kotzebue	
	1:30 pm Barrow, Tok,		
	2:00 pm Ketchikan, Wi		
	2:30 pm Sitka, Cordova	-	
Apr 08	Saturday	Senate Finance 532	9:00 AM
+= SB 305	•	ICTION TAX	
+	Bills Previously Heard/S	cheduled	
Apr 08	Saturday	Senate Finance 532	1:00 PM

-- Note Time Change --+= HB 365 APPROP: OPERATING BUDGET/LOANS/FUNDS

Continuation - Statewide Public Testimony

(public testimony may be limited to no more than 3 minutes)
1:00 pm Statewide off-nets
1:30 pm Juneau

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HEALTH, EDUCATION & SOCIAL SERVICES

Mar 31 +	Friday Meeting Canceled Bills Previously Heard/Sched	Butrovich 205	1:30 PM
Apr 03	Monday No Meeting Scheduled	Butrovich 205	1:30 PM
Apr 05 + SB 48 +	Wednesday PSYCH. EVALUATION/TRI Bills Previously Heard/Sched		1:30 PM DENTS

HEALTH, EDUCATION & SOCIAL SERVICES (continued)

Apr 07 +	Friday Bills Previously Heard/Schedu	Butrovich 205	1:30 PM
	JUDICIAR	Y	
Mar 30	Thursday	Butrovich 205	8:30 AM
	Meeting Canceled LIMITATION ON EMINENT DEFINITION OF CHILD AB Bills Previously Heard/Schedu	USE AND NEGLECT	
Mar 31	Friday No Meeting Scheduled	Butrovich 205	8:30 AM
Apr 03	Monday No Meeting Scheduled	Butrovich 205	8:30 AM
	LIMITATION ON EMINENT DEFINITION OF CHILD AB	USE AND NEGLECT	8:30 AM
Apr 05 +	Wednesday Dept. of Law Presentation: Ala Justice & Law Enforcement Co Bills Previously Heard/Schedu	ommission	8:30 AM
Apr 06 += HB 272 +	Thursday CARD ROOMS & OPERATION Bills Previously Heard/Schedu	ONS	8:30 AM
Apr 07	Friday No Meeting Scheduled	Butrovich 205	8:30 AM

LABOR & COMMERCE

	Thursday Bills Previously Heard/Scheduled Including But Not Limited to: JOINT INSURANCE ARRANGEN LANDLORD REMEDIES; LATE I CONSTR. TRAINING GRANT; UI <above bill="" hearing="" postponed=""> MORTGAGE LENDING</above>	FEE	1:30 PM COMP.
+ SB 311	Tuesday INSURANCE POLICIES IN FORE ATHLETIC COMMISSION; BOX CONCERT OR ATHLETIC EVEN Bills Previously Heard/Scheduled Including But Not Limited to:	ING & WRESTLII	
Apr 06 +	Thursday Bills Previously Heard/Scheduled	Beltz 211	1:30 PM
	RESOURCES		
Mar 31	Friday No Meeting Scheduled	rovich 205	3:30 PM
Apr 03	3.6 J		
1261 00	Monday But No Meeting Scheduled	rovich 205	3:30 PM
Apr 05 += HB 37 + HB 218	•	rovich 205 TREAMS COVERY FISHEF	3:30 PM

STATE AFFAIRS

Mar 30 + HB 245	Thursday VETERANS' VEHICLE PL Bills Previously Heard/Sche		3:30 PM
Apr 04	Tuesday No Meeting Scheduled	Butrovich 205	3:30 PM
Apr 06 + HB 12	Thursday TVS AND MONITORS IN Bills Previously Heard/Sche		3:30 PM

TRANSPORTATION

Mar 30	Thursday No Meeting Scheduled	Butrovich 205	1:30 PM
Apr 04	Tuesday No Meeting Scheduled	Butrovich 205	1:30 PM
Apr 06 + SB 18	Thursday AUTO DEALERS DISCLOS	Butrovich 205 URE DATA RECORD	1:30 PM ER

FINANCE SUBCOMMITTEES

ADMINISTRATION

Mar 31	Friday	Beltz 211	7:30 AM
+	Closeout		

COMMERCE, COMMUNITY & ECONOMIC DEV

Apr 04	Tuesday	Beltz 211	8:00 AM
	Meeting Canceled		
	Budget Closeout		

GOVERNOR

Mar 30	Thursday Budget Closeout	Senate Finance 532	10:30 AM
	HEALTH & S	SOCIAL SERVICES	
Mar 30	Thursday Closeout	Fahrenkamp 203	4:30 PM
		LAW	
Mar 30 +	Thursday Budget Closeout	Senate Finance 532	4:30 PM
	LEG	ISLATURE	
Mar 30	Thursday Budget Closeout	Senate Finance 532	10:00 AM
	MILITARY AND	VETERANS AFFAIRS	
Mar 30 +	Thursday Closeout	Beltz 211	5:30 PM
		EVENUE	
Mar 30 +	Budget Closeout	Senate Finance 532	1:30 PM
TRANSPORTATION & PUBLIC FACILITIES			
Mar 30	Thursday Closeout	Fahrenkamp 203	4:00 PM

UNIVERSITY OF ALASKA

Apr 03 Monday Senate Finance 532 7:30 AM

FY07 Operating Budget Closeout

SPECIAL COMMITTEES

COMMITTEE ON UNIVERSITY OVERSIGHT

Apr 10 Monday Senate Finance 532 5:00 PM

-- Teleconference <Listen Only> -- University of Alaska Presentation

JOINT COMMITTEES

CONFERENCE COMMITTEE ON SB 232

Apr 03 Monday Senate Finance 532 12:00 PM

SB 232 SUPPLEMENTAL APPROPRIATIONS

Apr 05 Wednesday Senate Finance 532 4:00 PM

= SB 232 SUPPLEMENTAL APPROPRIATIONS

LEGISLATIVE BUDGET & AUDIT

Apr 04 Tuesday House Finance 519 5:30 PM

Audit Requests Executive Session -

Preliminary and Final Audits

Other Business

LEGISLATIVE COUNCIL

Mar 30 Thursday House Finance 519 5:00 PM

-- Meeting Canceled --FY05 Legislature Audit Masonic Temple Capitol Security