

HOUSE JOURNAL

ALASKA STATE LEGISLATURE

TWENTY-FIFTH LEGISLATURE – SECOND SESSION

Juneau, Alaska

Wednesday

January 16, 2008

Second Day

Pursuant to adjournment the House was called to order by Speaker Harris at 11:08 a.m.

Roll call showed 39 members present. Representative Gruenberg had been excused from a call of the House today.

The invocation was offered by the Chaplain, Representative Coghill. Representative Dahlstrom moved and asked unanimous consent that the invocation be spread on the journal. There being no objection, it was so ordered.

As we pause and reflect on our duties in this place, join me in prayer.

Father in heaven, we are so grateful for the trust given us by the people of Alaska. We are in need of some divine guidance, so we look to you above. Help our ability to comprehend the great needs of those in Alaska, and help our hearts to deal compassionately and responsibly in caring for people as best we can. We ask you for guidance: We need good judgment as we talk to each other and sharpen each other's minds, wits, and hearts.

We bow for a moment with gratitude for the work that we have, the responsibility given us, and the trust of the people of Alaska. I thank you and I pray in Jesus' name. Amen.

The Pledge of Allegiance was led by Representative Kerttula.

CERTIFICATION OF THE JOURNAL

Representative Samuels moved and asked unanimous consent that the journal for the first legislative day and House and Senate Joint Journal Supplement No. 10 be approved as certified by the Chief Clerk. There being no objection, it was so ordered.

MESSAGES FROM THE SENATE

A message dated January 15, 2008, was read stating the Senate accepted the invitation to meet in joint session in the House Chamber at 11:00 a.m., February 19 to hear an address by the Honorable Ted Stevens, U.S. Senator.

A message dated January 15, 2008, was received stating the Senate accepted the invitation to meet in joint session in the House Chamber at 4:00 p.m., January 15 to hear the Governor's combined State of the State and Budget Address.

COMMUNICATIONS

The following were received:

Alaska State Legislature
Joint Armed Services Committee
Activities Report
January 15, 2008
(as required by AS 24.20.675)

Dept. of Revenue
Alaska Marine Highway System Fund
Investment Earnings Report
January 15, 2008
(as required by AS 19.65.070)

Dept. of Revenue
Alaska Retirement Management Board
Notification of Availability of Financial Reports
January 15, 2008
(as required by AS 37.10.220)

INTRODUCTION OF CITATIONS

The following citation was introduced and referred to the Rules Committee for placement on the calendar:

Honoring – 25 Years of the Tesoro Iron Dog, the World's Longest,
Toughest Snowmobile Race
By Senator Green

INTRODUCTION, FIRST READING, AND REFERENCE OF HOUSE RESOLUTIONS

HCR 16

HOUSE CONCURRENT RESOLUTION NO. 16 by Representative
LeDoux:

Proposing an amendment to the Uniform Rules of the Alaska State
Legislature relating to voting.

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

INTRODUCTION, FIRST READING, AND REFERENCE OF HOUSE BILLS

The following Governor's bills are out of numerical sequence because
the numbers were preassigned.

HB 310

HOUSE BILL NO. 310 by the House Rules Committee by request of
the Governor, entitled:

"An Act making appropriations for the operating and loan
program expenses of state government, for certain programs, and

to capitalize funds; making supplemental appropriations; and making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska; and providing for an effective date."

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

The Governor's transmittal letter dated January 15, 2008, follows:

"Dear Speaker Harris:

Today I am transmitting to you my Fiscal Year 2009 operating budget bill. As I mentioned when I released the budget bills on December 10, 2007, this operating budget represents just a 1.1 percent general fund increase over FY2008. My cabinet has made a strong effort to slow the growth of government while providing funding to meet the needs of Alaskans.

Just as importantly, the budget contains significant savings and investments from both the expected FY2008 and FY2009 general fund surpluses. Nearly \$2.6 billion will be deposited into the public education fund to pre-fund the foundation and pupil transportation programs through FY2011, including proposed increases to the programs. In addition, \$450 million from the FY2008 surplus is appropriated to the Teachers' Retirement System (TRS) to reduce the unfunded liability. That appropriation, in turn, results in savings of \$46.6 million in the FY2009 appropriation to TRS. Other substantial savings are the deposits totaling \$379 million into the constitutional budget reserve fund. I have also included the state's investment of the estimated \$200 million in oil and gas tax credits.

I look forward to working with the Legislature to finalize the operating budget for the upcoming fiscal year.

Sincerely,

/s/

Sarah Palin
Governor"

HB 311

HOUSE BILL NO. 311 by the House Rules Committee by request of the Governor, entitled:

"An Act making appropriations, including capital appropriations, supplemental appropriations, and appropriations to capitalize funds; and providing for an effective date."

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

The Governor's transmittal letter dated January 15, 2008, follows:

"Dear Speaker Harris:

The capital budget bill that I am transmitting to you today represents a significant investment in expanding and improving Alaska's infrastructure. The bill contains nearly \$758 million for transportation-related projects, including \$262 million for the airport improvement program, \$237 million for the surface transportation program and \$115 million for statewide federal programs. The Alaska Student Loan Corporation's final installment of the return of initial organizational capital is included in this budget bill and is reflected as \$60 million in bond proceeds that fund deferred maintenance projects in eleven agencies. The Susitna Valley High School replacement project and 20 school major maintenance projects comprise nearly \$100 million. In addition, the University of Alaska will receive \$40 million for deferred maintenance projects statewide. Water and wastewater infrastructure projects total \$121 million.

The capital budget also contains my municipal revenue sharing proposal of \$75 million, an increase of \$26.3 million from FY2008. In addition, the budget funds nearly \$37 million of information technology projects with an FY2008 effective date in order to utilize \$29 million of the FY2008 general fund surplus.

I believe that this capital budget is a responsible approach to addressing the needs of Alaskans. I look forward to working with the Legislature to secure passage of this bill.

Sincerely,

/s/

Sarah Palin
Governor"

HB 312

HOUSE BILL NO. 312 by the House Rules Committee by request of the Governor, 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.

A letter dated January 15, 2008, with an accompanying spreadsheet, to the Alaska Mental Health Trust Authority from Karen J. Rehfeld, Director, Office of Management and Budget, was attached (as required by AS 37.14.003) and is on file in the Chief Clerk's office.

The Governor's transmittal letter dated January 15, 2008, follows:

"Dear Speaker Harris:

Today I am transmitting the Fiscal Year 2009 appropriations bill for the state's comprehensive mental health program. As required by statute, it includes both operating and capital appropriations and is accompanied by a report outlining the differences between the recommendations of the Alaska Mental Health Trust Authority and my budget.

The proposed mental health budget represents a cooperative effort between state agencies and the Alaska Mental Health Trust Authority. Coupled with the resources that have been appropriated in recent years, these productive working relationships have made and will continue to make a positive difference for Alaska's mental health beneficiaries.

I look forward to working with the Legislature to secure passage of this budget bill.

Sincerely,

/s/

Sarah Palin

Governor"

HB 313

HOUSE BILL NO. 313 by the House Rules Committee by request of the Governor, entitled:

"An Act providing for and relating to the issuance of general obligation bonds for the purpose of paying the cost of a scientific crime detection laboratory; and providing for an effective date."

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

The following fiscal note(s) apply:

1. Fiscal, Office of the Governor

The Governor's transmittal letter dated January 15, 2008, follows:

"Dear Speaker Harris:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill providing for and relating to the issuance of general obligation bonds for the purpose of paying the cost of a scientific crime detection laboratory.

This revenue would be utilized for the construction of a "state of the science" crime lab that will serve the needs of Alaska's citizens and law enforcement agencies for at least the next 40 years.

Over the last 30 years, both the types of evidence analysis and the number of cases submitted by law enforcement for assistance from the crime lab have increased tremendously. Currently, the crime lab provides expert assistance in the areas of fingerprints, biological screening, hair analysis, trace screening, blood alcohol content, drug analysis, DNA, crime scene investigations, shoe prints, and firearm/toolmark ballistics.

Forensic science continues to improve. New technology and added analysis are expanding the importance of forensic science in criminal justice investigations; examples include arson analysis equipment, laser examination equipment, vacuum metal deposition chamber

examination equipment, trace evidence examinations, space and equipment examinations, toxicology, and question document analysis. Additionally, expanded processing space is necessary to examine evidence from small items such as drug baggies and blood stained clothing to larger items such as entire vehicles. The new crime lab will have sufficient space to accommodate such improvements.

The crime lab has managed to provide an excellent level of assistance to law enforcement during this time of growth. However, in the past five years, the growing demand for lab services has exceeded the capacity of the lab to provide all the services needed by Alaskans. Alaska needs a new crime lab. The new crime lab will provide 80 thousand square feet with room for future expansion.

Section 1 of the bill adds a new section to the uncodified law of the state authorizing the issuance and sale of state general obligation bonds in the principal amount of not more than 100 million, if ratified by a majority of the qualified voters of the state who vote on the question. The full faith, credit, and resources of the state would be pledged to the payment of the principal of and interest and redemption premium, if any, on the bonds.

Section 2 of the bill adds a new section to the uncodified law of the state establishing the "scientific crime detection laboratory project fund" if the voters ratify the issuance of the bonds, to which shall be credited the proceeds of the sale of the bonds except for the accrued interest and premiums.

Section 3 of the bill adds a new section to the uncodified law of the state appropriating 100 million from the scientific crime detection laboratory project fund and up to 6 million in anticipated investment earnings to the Department of Public Safety to be allocated to the design and construction of a state scientific crime detection laboratory in Anchorage.

Section 4 of the bill adds a new section to the uncodified law of the state appropriating from the general fund to the state bond committee \$500,000 or as much of that amount as is found necessary to carry out

the provisions of this bill and to pay expenses incident to the sale and issuance of the bonds.

Section 5 of the bill adds a new section to the uncodified law of the state providing that the amount withdrawn from the public facility planning fund (AS 35.10.135) for the purpose of advance planning for the capital improvements financed under this bill shall be reimbursed from the proceeds of the sale of the bonds.

Section 6 of the bill adds a new section to the uncodified law of the state providing that the unexpended and unobligated balance of the appropriation made in sec. 3 lapses and is appropriated to the state bond committee to redeem bonds sold under this bill. Further, sec. 6 provides that amounts expended from the general fund to pay the principal, interest, and redemption premium on the bonds shall be reimbursed from this appropriation to the extent that the money is not needed to redeem the bonds.

Section 7 of the bill amends the uncodified law of the state to add a new section directing the submittal to the voters for ratification at the next general election the question of whether the state shall issue its general obligation bonds in the principal amount of not more than 100 million for the purpose of paying the cost of design and construction of a scientific crime detection laboratory.

I urge your prompt and favorable action on this measure.

Sincerely,

/s/

Sarah Palin
Governor"

HB 314

HOUSE BILL NO. 314 by the House Rules Committee by request of the Governor, entitled:

"An Act providing for and relating to the issuance of general obligation bonds for the purpose of paying the cost of state transportation projects; and providing for an effective date."

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

The following fiscal note(s) apply:

1. Fiscal, Office of the Governor

The Governor's transmittal letter dated January 15, 2008, follows:

"Dear Speaker Harris:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill providing for and relating to the issuance of general obligation bonds for the purpose of paying the cost of state transportation projects.

The state requires a stable transportation construction program. The capital budget addresses many critical transportation needs in Alaska. However, there is much more that needs to be done. Low interest notes provide the opportunity to keep overall spending low, while at the same time utilizing bond receipts to expand and improve our infrastructure. The use of state bond proceeds allows projects to move from design to completion much faster than the lengthy process that federal funding entails.

Safety, congestion, and gas pipeline preparation were the criteria used to identify these priority projects for inclusion in this bond proposal.

Section 1 of the bill adds a new section to the uncodified law of the state authorizing the issuance and sale of state general obligation bonds in the principal amount of not more than \$140 million if ratified by a majority of the qualified voters of the state who vote on the question. The full faith, credit, and resources of the state would be pledged to the payment of the principal of and interest and redemption premium, if any, on the bonds.

Section 2 of the bill adds a new section to the uncodified law of the state establishing the "2008 transportation project fund" if the voters ratify the issuance of the bonds, to which shall be credited the proceeds of the sale of the bonds except for the accrued interest and premiums.

Sections 3 - 5 of the bill add new sections to the uncodified law of the state appropriating from the 2008 transportation project fund the amounts of \$121.1 million to the Department of Transportation and Public Facilities to be allocated to specified road, highway, and bridge projects throughout Alaska; \$10 million to the Department of Commerce, Community, and Economic Development to be awarded as a grant to the Municipality of Anchorage for expansion of the Port of Anchorage; and \$8.9 million to the Department of Natural Resources to be allocated to the South Denali Access Road Design and Construction project.

Section 6 of the bill adds a new section to the uncodified law of the state appropriating from the general fund to the state bond committee \$700,000 or as much of that amount as is found necessary to carry out the provisions of this bill and to pay expenses incident to the sale and issuance of the bonds.

Section 7 of the bill adds a new section to the uncodified law of the state providing that the amount withdrawn from the public facility planning fund (AS 35.10.135) for the purpose of advance planning for the capital improvements financed under this bill shall be reimbursed from the proceeds of the sale of the bonds.

Section 8 of the bill amends the uncodified law of the state to add a new section providing that the unexpended and unobligated balance of the appropriations made in secs. 3 - 5 lapses and is appropriated to the state bond committee to redeem bonds sold under this bill. Further, sec. 8 provides that amounts expended from the general fund to pay the principal, interest, and redemption premium on the bonds shall be reimbursed from this appropriation to the extent that the money is not needed to redeem the bonds.

Section 9 of the bill amends the uncodified law of the state to add a new section directing the submittal to the voters for ratification at the next general election the question of whether the state shall issue its general obligation bonds in the principal amount of not more than \$140 million for the purpose of paying the cost of state transportation projects.

I urge your prompt and favorable action on this measure.

Sincerely,
/s/
Sarah Palin
Governor"

HB 321

HOUSE BILL NO. 321 by Representative Thomas, entitled:

"An Act relating to the salmon product development tax credit; providing for an effective date by amending an effective date in sec. 7, ch. 57, SLA 2003, as amended by sec. 4, ch. 3, SLA 2006; and providing for an effective date."

was read the first time and referred to the House Special Committee on Fisheries and the Finance Committee.

LEGISLATIVE CITATIONS

Representative Samuels moved and asked unanimous consent that the House approve the citations on the calendar. There being no objection, the following citations were approved and sent to enrolling:

Honoring – Janet Clarke

By Representatives Hawker, Harris, Chenault, Cissna, Coghill, Crawford, Dahlstrom, Doll, Doogan, Edgmon, Fairclough, Gara, Gardner, Gruenberg, Guttenberg, Holmes, Johansen, Johnson, Joule, Kawasaki, Keller, Kelly, Kerttula, LeDoux, Lynn, Meyer, Nelson, Neuman, Olson, Ramras, Roses, Salmon, Samuels, Seaton, Thomas, Wilson

Honoring – Arthur G. Woodley

By Representatives Hawker, Samuels, Harris, Chenault, Cissna, Coghill, Crawford, Dahlstrom, Doll, Doogan, Edgmon, Fairclough, Gara, Gardner, Gruenberg, Guttenberg, Holmes, Johansen, Johnson, Joule, Kawasaki, Keller, Kelly, Kerttula, LeDoux, Lynn, Meyer, Nelson, Neuman, Olson, Ramras, Roses, Salmon, Seaton, Stoltze, Thomas, Wilson

In Memoriam – Gilbert Dementi Sr.

By Representatives Guttenberg, Harris, Chenault, Cissna, Coghill, Crawford, Dahlstrom, Doll, Doogan, Edgmon, Fairclough, Foster, Gara, Gardner, Gruenberg, Hawker, Holmes, Johansen, Johnson, Joule, Kawasaki, Keller, Kelly, Kerttula, LeDoux, Lynn, Meyer, Nelson, Neuman, Olson, Ramras, Roses, Salmon, Samuels, Seaton, Thomas, Wilson

UNFINISHED BUSINESS

Representative Samuels moved and asked unanimous consent that the following members be excused from a call of the House. There being no objection, the members were excused as noted:

Representative Holmes – from 6:00 p.m., January 16 to evening plane time, January 17

Representative LeDoux – from 5:00 a.m., January 17 to evening plane time, January 22

Representative Meyer – from 6:00 a.m., January 18 to morning plane time, January 21

Representative Olson – from noon, January 17 to afternoon plane time, January 21

Representative Ramras – from noon, January 18 to morning plane time, January 21

Representative Samuels – from 6:00 a.m., January 17 to evening plane time, January 19

Representative Seaton – from 6:00 p.m., January 16 to evening plane time, January 17

Representative Gatto – from 7:00 a.m., January 17 to 6:00 p.m., January 20

HB 269

Representative Dahlstrom added her name as cosponsor to:

HOUSE BILL NO. 269

"An Act requiring the state to procure United States and Alaska flags manufactured in the United States; and requiring state buildings and schools to display only United States and Alaska flags manufactured in the United States."

HB 270

Representative Dahlstrom added her name as cosponsor to:

HOUSE BILL NO. 270

"An Act relating to licensing of and other requirements for facilities that provide abortion services; defining 'ambulatory surgical facility'; and relating to state assistance for abortions."

HB 278

Representative Dahlstrom added her name as cosponsor to:

HOUSE BILL NO. 278

"An Act relating to sex offenders and child kidnappers."

HB 288

Representative Crawford added his name as cosponsor to:

HOUSE BILL NO. 288

"An Act relating to net energy metering for retail electricity suppliers and customers."

ANNOUNCEMENTS

House committee schedules are published daily under separate cover.

ADJOURNMENT

Representative Samuels moved and asked unanimous consent that the House adjourn until 10:00 a.m., January 17, 2008. There being no objection, the House adjourned at 11:38 a.m.

Suzi Lowell
Chief Clerk