SENATE JOURNAL

ALASKA STATE LEGISLATURE

TWENTY-FIFTH LEGISLATURE

SECOND SESSION

Juneau, Alaska Friday January 25, 2008

Eleventh Day

Pursuant to adjournment the Senate was called to order by President Green at 11:04 a.m.

The roll showed sixteen members present. Senators Cowdery, Stevens were excused from a call of the Senate. Senators Olson, Wagoner were absent.

The prayer was offered by the Chaplain, Reverend Kenneth Torquil MacLean, Consulting Minister for the Juneau Unitarian Universalist Fellowship. Senator Hoffman moved and asked unanimous consent that the prayer be spread. Without objection, it was so ordered.

Eternal God, on this day may we remember: remember who we are; remember what we love; remember what is sacred; remember what is true; remember that each of us will die, and that today is a gift.

Amen.

Senator Thomas led the Senate in the Pledge of Allegiance.

Certification

Senator Ellis moved and asked unanimous consent that the journals for the ninth and tenth legislative days be approved as certified by the Secretary. Without objection, it was so ordered.

Messages from the Governor

A letter dated January 21, 2008, with an administrative order and finance plan attached, was received stating the Governor has determined it appropriate that financial assistance from the disaster relief fund be expended, in accordance with AS 26.23.020(h), to cover emergency response costs for the Northwest Arctic Borough and Kivalina to address repairs to the seawall. The letter and attachments were copied to the Finance Committee.

Messages from the House

Message dated January 23 was read, stating the House passed and transmitted for consideration:

First Reading and Reference of House Resolutions

HCR 17

HOUSE CONCURRENT RESOLUTION NO. 17 BY THE HOUSE JUDICIARY COMMITTEE,

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning Senate Bill No. 139, relating to limitations on liability for certain airfield owners or operators.

was read the first time and held on the Secretary's desk.

First Reading and Reference of House Bills

HB 15

CS FOR HOUSE BILL NO. 15(RES) BY THE HOUSE RESOURCES COMMITTEE, entitled:

"An Act relating to participation in matters before the Board of Fisheries by members of the board and to the definition of 'immediate family member' under the Alaska Executive Branch Ethics Act as that Act applies to members of the Board of Fisheries; and providing for an effective date."

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

Concur Messages

SB 139

Message dated January 23 was read, stating the House passed and returned for consideration SPONSOR SUBSTITUTE FOR SENATE BILL NO. 139 "An Act repealing a limitation on the liability of certain airfield owners or operators" with the following amendment:

HOUSE CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 139(JUD) "An Act modifying the criteria used to limit liability for certain airfield owners or operators." (Title change HCR 17)

President Green stated the message will be held on the Secretary's desk.

Communications

Local Boundary Commission Report received January 23 from Kermit L. Ketchum, Chair in accordance with AS 44.33.812 and Article X, section 12 of the Alaska Constitution

The Local Boundary Commission recommendations will be published in Senate and House Joint Journal Supplement No. 11.

President Green referred the report to the Community and Regional Affairs Committee.

FY 07 Achievement Report and FY 08 Annual Performance Plan from Clark Bishop, Commissioner
Department of Labor and Workforce Development in accordance with AS 18.60.040
available at: www.labor.state.ak.us/lss/oshhome.htm

Introduction and Reference of Senate Bills

SB 230

SPONSOR SUBSTITUTE FOR SENATE BILL NO. 230 BY SENATOR ELLIS, entitled:

"An Act establishing the film office in the Department of Commerce, Community, and Economic Development; and creating a transferable tax credit applicable to certain film production expenditures incurred in the state."

was read the first time and referred to the Labor and Commerce and Finance Committees.

SB 248

SENATE BILL NO. 248 BY SENATORS HOFFMAN, Stedman, Stevens, 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 Resources and Finance Committees.

SB 249

SENATE BILL NO. 249 BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR, entitled:

"An Act establishing the Alaska capstone avionics revolving loan fund and relating to the fund; and providing for an effective date."

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

The following fiscal information was published today:

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

Governor's transmittal letter dated January 24:

Dear President Green:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill establishing the Alaska capstone avionics revolving loan fund and relating to the fund.

In Alaska, aviation is relied upon to move people, mail, and cargo throughout the state. Alaska has only 14,788 miles of public roads and many communities are not connected to the highway system. Ninety percent of Alaska is accessible only by air. Because of this situation, commuter and air taxi flights often serve in lieu of the traditional road system.

Alaska has seven times more licensed pilots than the national average, but it also has the highest aviation accident rate in the nation. One way to make Alaska's skies safer is with capstone avionic equipment. A study done in Alaska over a six year period determined that the accident rate of aircraft equipped with capstone avionic equipment decreased by 47 percent as compared to other aircraft operating without the equipment. The Federal Aviation Administration (FAA) estimates the adoption of this technology will result in a 33 percent reduction in fatal accidents statewide.

The FAA's Joint Resource Council estimates the benefits of the capstone project would be substantial. These benefits flow from a combination of fewer aviation accidents, improved search and rescue, greater precision in adverse weather and difficult terrain, and increased access to remote villages (including medical evacuations) when the system is fully deployed both on the ground and in the air. In addition, there will be socio-economic improvements for rural Alaska, due to a safer and more reliable transportation infrastructure.

This new technology requires both the installation of ground based infrastructure and capstone avionics in the cockpit to achieve these benefits. To be visible to the system, as well as to take advantage of all of capstones capabilities, an aircraft must be equipped with appropriate on-board avionics.

The FAA has invested in Alaska by deploying, and continuing to deploy, new ground-based aviation safety and access infrastructure including communications, navigation, and weather reporting systems, and upgraded airport access in Alaska. Support for the acquisition of the onboard avionics necessary to utilize the FAA ground infrastructure will aid in securing the substantial benefits of this technology for Alaskans and enhance, encourage, and make the most of the FAA investment in Alaska.

This bill would create the Alaska capstone avionics revolving loan fund within the Department of Commerce, Community, and Economic Development. The purpose of the fund would be to increase safety of air carrier, air taxi, and general aviation intrastate air transportation, by providing low-interest loans towards purchasing and installing capstone avionic equipment. An applicant for the low-interest loan must be an owner of an aircraft that is operated in the state. An applicant may be an individual, corporation, partnership, limited liability company, joint venture, or non-federal governmental entity.

The broad-based benefits of this legislation will help ensure that people can fly in a safer environment as they conduct their business and personal affairs.

Under this new loan program, a loan for \$12,000 for avionics equipment at four percent over a ten-year term would result in a monthly payment of \$122 or an annual payment of \$1,480.

I urge your prompt and favorable action on this measure.

Sincerely, /s/ Sarah Palin Governor

SB 250

SENATE BILL NO. 250 BY SENATOR HUGGINS, entitled:

"An Act relating to the practice of veterinary medicine."

was read the first time and referred to the Labor and Commerce Committee.

Consideration of the Calendar

Citations

In Memoriam – Juliette Danguilan Representative(s) Gara Senator(s) Ellis, Green, Bunde, Cowdery, Davis, Dyson, Elton, Hoffman, Huggins, Kookesh, McGuire, Olson, Stedman, Stevens, Therriault, Thomas, Wagoner, Wielechowski, Wilken

In Memoriam – Tyler Beckham Representative(s) Gatto, Keller Senator(s) Green, Bunde, Cowdery, Davis, Dyson, Ellis, Elton, Hoffman, Huggins, Kookesh, McGuire, Olson, Stedman, Stevens, Therriault, Thomas, Wagoner, Wielechowski, Wilken

Senator Ellis 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 evening plane time, February 13 through morning plane time, February 18; and from afternoon plane time, February 22 through plane time, February 25. Without objection, Senator Dyson was excused.

Senator Kookesh moved and asked unanimous consent to amend a prior excusal (page 1630) in order to be excused from a call of the Senate from plane time, January 26 through evening plane time, January 28. Without objection, Senator Kookesh was excused.

Senator French moved and asked unanimous consent to be excused from a call of the Senate from January 28 through morning plane time, January 29. Without objection, Senator French was excused.

Senator French moved and asked unanimous consent to amend a prior excusal (page 1645) in order to be excused from a call of the Senate from February 4 through February 8. Without objection, Senator French was excused.

Senator Therriault moved and asked unanimous consent to be excused from a call of the Senate on January 28. Without objection, Senator Therriault was excused.

Announcements

Announcements are at the end of the journal.

Adjournment

Senator Ellis moved that the Senate stand in adjournment until 11:00 a.m., January 28, 2008. Without objection, the Senate adjourned at 11:20 a.m.

Kirsten Waid Secretary of the Senate

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

Jan 25

Friday

and DEC

= indicates bill previously heard/scheduled

COMMUNITY & REGIONAL AFFAIRS

| Jan += | 29 SB 161 | Tuesday COASTAL MANAGEMENT PRO Bills Previously Heard/Scheduled | Beltz 211 GRAM | 3:30 PM |
|---------------|------------------|---|--------------------------|--------------|
| Jan | 31 | Thursday MEETING CANCELED | Beltz 211 | 3:30 PM |
| + | SB 182 | CLEAN ELECTIONS | | |
| + | SB 204 | MUNI TAX EXEMPTION: COMB | AT DEATHS | |
| + | SB 235 | ALCOHOL: LOCAL OPTION/LIC | ENSING/MINOR | S |
| | | Bills Previously Heard/Scheduled | | |
| Feb | 05 | Tuesday | Beltz 211 | 3:30 PM |
| | CD 100 | CLEAN ELECTIONS | | |
| | SB 182 | | | |
| | SB 182 SB 204 | | AT DEATHS | |
| += | | MUNI TAX EXEMPTION: COMB | | S |
| += | SB 204 | MUNI TAX EXEMPTION: COMB | | S |
| += += | SB 204 SB 235 | MUNI TAX EXEMPTION: COMB ALCOHOL: LOCAL OPTION/LIC | | S 3:30 PM |
| += += + | SB 204 SB 235 | MUNI TAX EXEMPTION: COMB ALCOHOL: LOCAL OPTION/LIC Bills Previously Heard/Scheduled | ENSING/MINOR | |

Commercial Passenger Vessel Tax Program

Presentations by the Dept of Revenue

Senate Finance 532

9:00 AM

FINANCE (continued)

| THATTEE (continued) | | | | |
|---------------------------------------|--|--|--------------------------|--|
| Jan 28 | Monday No Meeting Scheduled | Senate Finance 532 | 9:00 AM | |
| Jan 29 | Tuesday No Meeting Scheduled | Senate Finance 532 | 9:00 AM | |
| | SCHOOL LIBRARY G | UND VOTE REQUIREMEN | | |
| Jan 31 | Thursday No Meeting Scheduled | Senate Finance 532 | 9:00 AM | |
| | Friday OIL & GAS PRODUCT Bills Previously Heard/S | TON TAX DATES | 9:00 AM | |
| | HEALTH, EDUCATION | N & SOCIAL SERVICES | | |
| | Friday HEALTH CARE: PLAN MEDICAL ASSISTAN (Bill Held Over from 1/ | | | |
| Jan 28 + SB 231 + SB 233 | LOW-INCOME HOUSE | | 1:30 PM G LOAN | |
| | Wednesday MANDATORY UNIVE | Butrovich 205 RSAL HEALTH CARE | 1:30 PM | |
| Feb 01 | Friday No Meeting Scheduled | Butrovich 205 | 1:30 PM | |
| JUDICIARY | | | | |
| + += HB 149 | Friday Bills Previously Heard/S POLLUTANT DISCHA FALSE CALLER IDEN | RGE PERMITS | 1:30 PM | |

JUDICIARY (continued)

| Jan 28 | Monday No Meeting Scheduled | Beltz 211 | 1:30 PM |
|--|---|------------------------|---------|
| Jan 30 + SB 247 + SB 226 + | Wednesday MISSING PERSONS VEXATIOUS LITIGANTS Bills Previously Heard/Scheduled | Beltz 211 | 1:30 PM |
| Feb 01 + SB 211 + | Friday AGGRAVATING FACTOR: HOM Bills Previously Heard/Scheduled | Beltz 211 ELESSNESS | 1:30 PM |

LABOR & COMMERCE

| Jan | 25 | Friday Rescheduled from 01/24/08 | Beltz 211 | 3:00 PM |
|-----|--------|--|--------------|---------|
| += | SB 101 | GUARDIANSHIP AND CONSERV Bills Previously Heard/Scheduled | /ATORS | |
| Jan | 29 | Tuesday | Beltz 211 | 1:30 PM |
| + | SB 183 | REPEAL DEFINED CONTRIB RE | TIREMENT PLA | NS |
| + | SB 196 | PRESCRIPTION DATABASE | | |
| | | Bills Previously Heard/Scheduled | | |
| Jan | 31 | Thursday | Beltz 211 | 1:30 PM |
| + | SB 153 | PEACE OFFICERS/FIRE FIGHTEI | R RETIREMENT | |
| + | SB 187 | ALASKA MINIMUM WAGE | | |
| + | SB 197 | PAYMENT DATE FOR CREDIT C | CARD PAYMENT | 'S |
| + | HB 226 | REPEAL TERMINATION OF STE | P PROGRAM | |
| | | Bills Previously Heard/Scheduled | | |

RESOURCES

| Jan 25 | Friday No Meeting Scheduled | Butrovich 205 | 3:30 PM |
|--------|--|----------------------|---------|
| Jan 28 | Monday | Butrovich 205 | 3:30 PM |
| + | Presentation: | | |
| | Drue Pearce, Federal Coord | dinator, Alaska | |
| | Natural Gas Transportation | Projects | |
| | Testimony <invitation o<="" th=""><th>nly></th><th></th></invitation> | nly> | |

RESOURCES (continued)

Jan 30 Wednesday Butrovich 205 3:30 PM
+ SCR 13 AMICUS BRIEF REGARDING RIGHT TO BEAR ARMS
Presentation: Gasline Update

Pat Galvin Commissioner, Dept of Revenue

Tom Irwin Commissioner, Dept of Natural Resources

-- Testimony <Invitation Only> --

Feb 01 Friday Butrovich 205 3:30 PM

Presentation: Backbone II of Alaska
 Testimony <Invitation Only> - Bills Previously Heard/Scheduled

STATE AFFAIRS

Jan 29 Tuesday Beltz 211 9:00 AM
No Meeting Scheduled

Jan 31 Thursday Beltz 211 9:00 AM

+ HB 37 ESTABLISHING SUSAN BUTCHER DAY

+ SB 201 PUBLIC FINANCE WEBSITE

+ SB 215 REQUIREMENTS FOR DRIVER'S LICENSE/I.D.

+ Bills Previously Heard/Scheduled

TRANSPORTATION

Jan 29 Tuesday Butrovich 205 1:00 PM

+ SB 218 CHILD SAFETY SEATS & SEAT BELTS

+ SB 236 TRANSPORTATION FUND

Jan 31 Thursday Butrovich 205 1:00 PM

+ SB 224 G.O. BONDS FOR TRANSPORTATION PROJECTS

FINANCE SUBCOMMITTEES

ADMINISTRATION

Feb 06 Wednesday Senate Finance 532 3:30 PM

+ Joint with House

FY09 Budget Overview

FINANCE SUBCOMMITTEES (continued)

COMMERCE, COMMUNITY & ECONOMIC DEV

| Jan 28 | Monday Location Change Joint with House Department Overview FY09 Budget Request | Senate Finance 532 | 12:15 PM |
|--------------------|---|-----------------------------|----------|
| Feb 01 | Friday Joint with House FY09 Budget Request | House Finance 519 | 12:15 PM |
| Feb 08 | Friday Joint with House FY09 Budget Request | House Finance 519 | 12:15 PM |
| Feb 15 | Friday Joint with House FY09 Budget Request | House Finance 519 | 12:15 PM |
| | CORRE | CTIONS | |
| Jan 28 | Monday Joint with House FY09 Dept of Correction | House Finance 519 as Budget | 12:00 PM |
| | COURT | SYSTEM | |
| Jan 31 + | Thursday Commission Judicial Co Court System FY09 Req | | 4:00 PM |
| Feb 04 + | Monday Court System Budget | Fahrenkamp 203 | 4:00 PM |
| | EDUCATION & EAR | LY DEVELOPMENT | |
| Jan 29 | Tuesday Joint with House | House Finance 519 | 5:00 PM |

FINANCE SUBCOMMITTEES (continued)

EDUCATION & EARLY DEVELOPMENT (continued)

| Jan 31 | Thursday Joint with House | House Finance 519 | 5:00 PM |
|--------|---|---|---------|
| Feb 05 | Tuesday Joint with House | House Finance 519 | 5:00 PM |
| | ENVIRONMENTA | L CONSERVATION | |
| Jan 29 | Tuesday Joint with House Review of FY08 Initiatives, Programs & S | House Finance 519 Supplemental Spending | 3:30 PM |
| | LABOR & WORKFO | RCE DEVELOPMENT | |
| Jan 28 | Monday Joint with House FY09 Budget Request | House Finance 519 | 5:15 PM |
| Jan 30 | Wednesday Joint with House FY09 Budget Request | House Finance 519 | 5:15 PM |
| Feb 04 | Monday Joint with House FY09 Budget Request | House Finance 519 | 5:15 PM |
| Feb 06 | Wednesday Joint with House FY09 Budget Request | House Finance 519 | 5:15 PM |
| Feb 11 | Monday Joint with House FY09 Budget Request | House Finance 519 | 5:15 PM |
| Feb 13 | Wednesday Joint with House FY09 Budget Request | House Finance 519 | 5:15 PM |

MILITARY AND VETERANS AFFAIRS

| Feb 07 | Thursday | House Finance 519 | 12:00 PM |
|--------|---|--------------------------|----------|
| + | Joint with House | | |
| | Budget Overview | | |
| | Presentation by Gener | ral Campbell | |
| | Testimony <invitati< th=""><th>ion Only></th><th></th></invitati<> | ion Only> | |
| | | | |

NATURAL RESOURCES

| Jan 29 | Tuesday FY09 Budget Overview | Fahrenkamp 203 | 4:00 PM |
|--------|--|----------------|---------|
| Feb 05 | Tuesday FY09 Budget Overview | Fahrenkamp 203 | 4:00 PM |
| Feb 12 | Tuesday FY09 Budget Overview | Fahrenkamp 203 | 4:00 PM |
| Feb 19 | Tuesday FY09 Budget Overview | Fahrenkamp 203 | 4:00 PM |
| Mar 04 | Tuesday FY09 Budget Closeout | Fahrenkamp 203 | 4:00 PM |
| | TRANSPORTATION & | | |

Jan 31 Thursday Senate Finance 532 4:00 PM Department Budget Overview

SPECIAL COMMITTEES

SPECIAL COMMITTEE ON EDUCATION

| Jai | n 30 | Wednesday | Butrovich 205 | 8:00 AM |
|-----|--------|-----------------------|-------------------------|---------|
| + | SCR 15 | AMEND UNIFORM | I RULES: STANDING COMMI | TTEES |
| + | SB 240 | EDUCATION FUNI | DING | |

Butrovich 205 8:00 AM **Feb 01** Friday + SCR 16 EDUCATION FUNDING/COST FACTOR COMMISSION SB 241 UNIV. REPORT: TEACHER TRAINING/RETENTION

SPECIAL COMMITTEES (continued)

SPECIAL COMMITTEE ON EDUCATION (continued)

| Feb 02 | Saturday | Butrovich 205 | 10:00 AM |
|--------|-----------------------------|----------------------|----------|
| + | Bills Previously Heard/Sche | duled | |

JOINT COMMITTEES

ARMED SERVICES COMMITTEE

| Feb 12 | Tuesday | Senate Finance 532 | 1:00 PM |
|---------------|---------------------|--------------------|---------|
| + | Presentations by: | | |
| | Lt. General Douglas | M. Frasier | |
| | Alaska Army Nation | al Guard | |

Alaska Air National Guard

LEGISLATIVE BUDGET & AUDIT

Jan 29 Tuesday **House Finance 519** 9:00 AM

Denali Commission Presentation Consider Final & Preliminary Audits Audit Software Other Committee Business

LEGISLATIVE COUNCIL

Jan 31 Thursday **Senate Finance 532** 12:00 PM

Agenda to be Announced

OTHER MEETINGS

CHILDREN'S CAUCUS

Jan 29 12:00 PM Tuesday **Butrovich 205**

Presentation by Children's Justice Act Task Force:

- Sexual Exploitation of Children via the Internet
- Report on Children's Advocacy Centers (CAC)

JOINT SESSION

Feb 06 Wednesday House Chamber 11:00 AM
State of the Judiciary Address by Chief Justice Dana Fabe

Feb 19 Tuesday House Chamber 11:00 AM
Annual Address by the Honorable Ted Stevens, U.S. Senator

MISCELLANEOUS MEETINGS

Feb 11 Monday Senate Finance 532 2:00 PM

SCHOOL DISTRICT LEGISLATIVE FLY-IN
Informal Q & A Session Regarding Alaska's
Public School System