

HOUSE JOURNAL
ALASKA STATE LEGISLATURE
TWENTY-SEVENTH LEGISLATURE
THIRD SPECIAL SESSION

Juneau, Alaska

Wednesday

April 18, 2012

First Day

Pursuant to the Governor's proclamation dated April 16, 2012, calling the legislature into special session, the House was called to order by Speaker Chenault at 1:07 p.m.

Roll call showed 32 members present. Representatives Guttentberg and Olson had been excused from a call of the House today. Representative Gara was absent and his presence was noted later. There was one vacancy.

Representative Austerman 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 Costello – from today to 10:00 p.m., April 19

Representative Thomas – from today to 9:00 p.m., April 22

Representative Edgmon – from today to 10:30 p.m., April 22

Representative Feige – from today to 10:00 a.m., April 20

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

With the deepest respect for the religious beliefs of all, I offer the following prayer:

Heavenly Father, what a glorious day, a day where all things are possible, a day of reflection, and an opportunity to consider ideas to benefit Alaskans.

Father, each person standing in Alaska's House of Representatives has a heart for service. Bless us with your wisdom and your will. Help us to rise above the sound bites and be grounded in the truth – not a piece of the truth but "the whole truth – so help me God."

Help us to surrender our hardened positions and share our concerns for the benefit of all Alaskans. Help us to apply our individual unique experiences and make certain all voices are heard when shaping public policy – exactly how the founders of our constitution foresaw.

Father, we are Alaskans' voice. We are elected to represent real people with real needs: the young, our elders, those without money and those with. Help us to understand the issues. Help us to be fair. Help our voices to be considerate, respectful, and honest.

All things are possible through you, our Lord, but only through your grace can we find eternal peace and rest. Help us to honor you in our actions.

In Jesus' name I pray. Amen.

The Pledge of Allegiance was led by Representative Cissna.

CERTIFICATION OF THE JOURNAL

Representative Austerman moved and asked unanimous consent that the journal for the 90th legislative day of the second session be approved as certified by the Chief Clerk. There being no objection, it was so ordered.

MESSAGES FROM THE GOVERNOR

The following Governor's proclamation, dated April 16, 2012, was read:

"Under the authority of Article II, Section 9, and Article III, Section 17, of the Alaska Constitution, and in the public interest, I call the Twenty-Seventh Legislature of the State of Alaska into its third special session at Juneau, Alaska, in the legislative chambers on April 18, 2012, at 1:00 p.m. to consider the following subjects:

1. relating to oil and gas production taxes;
2. House Bill 9 – in-state gasoline development corporation, previously under consideration during the second regular session of the Twenty-Seventh Legislature of the State of Alaska;
3. House Bill 359 – sex crimes; testimony by video conference, previously under consideration during the second regular session of the Twenty-Seventh Legislature of the State of Alaska.

DATED this 16th day of April, 2012.

TIME: 12:53 a.m.

/s/
Sean Parnell
Governor"

**The presence of Representative Gara was noted.

MESSAGES FROM THE SENATE**HCR 29**

A message dated April 15, 2012, was received stating the Senate passed:

HOUSE CONCURRENT RESOLUTION NO. 29
Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning Senate Bill No. 135,

relating to the rights of crime victims; relating to the duties of prosecuting attorneys; and amending Rule 45, Alaska Rules of Criminal Procedure.

HCR 29 was referred to the Chief Clerk for enrollment.

HCR 30

A message dated April 15, 2012, was received stating the Senate passed:

HOUSE CONCURRENT RESOLUTION NO. 30

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning Senate Bill No. 210, relating to crimes against children.

HCR 30 was referred to the Chief Clerk for enrollment.

HCR 32

A message dated April 15, 2012, was received stating the Senate passed:

HOUSE CONCURRENT RESOLUTION NO. 32

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning Senate Bill No. 23, relating to transferable film production tax credits and film production tax credit certificates; and requiring the legislative audit division to audit the Alaska film production incentive program.

HCR 32 was referred to the Chief Clerk for enrollment.

HCR 33

A message dated April 15, 2012, was received stating the Senate passed:

HOUSE CONCURRENT RESOLUTION NO. 33

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning Senate Bill No. 182, amending the amount of state funding provided to school districts for pupil transportation.

HCR 33 was referred to the Chief Clerk for enrollment.

HCR 34

A message dated April 15, 2012, was received stating the Senate passed:

HOUSE CONCURRENT RESOLUTION NO. 34

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning Senate Bill No. 25, establishing the sustainable energy transmission and supply development program in the Alaska Industrial Development and Export Authority; relating to the interest rates of the Alaska Industrial Development and Export Authority; and relating to taxes paid on interests in property owned by the Alaska Industrial Development and Export Authority and to the local contribution for public education funding related to that property.

HCR 34 was referred to the Chief Clerk for enrollment.

HCR 35

A message dated April 15, 2012, was received stating the Senate passed:

HOUSE CONCURRENT RESOLUTION NO. 35

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning Senate Bill No. 66, creating a new markets tax credit assistance guarantee and loan program within the Alaska Industrial Development and Export Authority and relating to the program.

HCR 35 was referred to the Chief Clerk for enrollment.

HCR 36

A message dated April 15, 2012, was received stating the Senate passed:

HOUSE CONCURRENT RESOLUTION NO. 36

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning Senate Bill No. 119, relating to athletic trainers.

HCR 36 was referred to the Chief Clerk for enrollment.

HCR 37

A message dated April 15, 2012, was received stating the Senate passed:

HOUSE CONCURRENT RESOLUTION NO. 37

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning Senate Bill No. 74, requiring insurance coverage for autism spectrum disorders, describing the method for establishing a covered treatment plan for those disorders, and defining the covered treatment for those disorders.

HCR 37 was referred to the Chief Clerk for enrollment.

HCR 38

A message dated April 15, 2012, was received stating the Senate passed:

HOUSE CONCURRENT RESOLUTION NO. 38

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning Senate Bill No. 104, relating to manufactured homes, including manufactured homes permanently affixed to land, to the conversion of manufactured homes to real property, to the severance of manufactured homes from real property, to the titling, conveyance, and encumbrance of manufactured homes, and to manufacturers' certificates of origin for vehicles.

HCR 38 was referred to the Chief Clerk for enrollment.

HCR 39

A message dated April 15, 2012, was received stating the Senate passed:

HOUSE CONCURRENT RESOLUTION NO. 39

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning Senate Bill No. 136, providing a tax credit for employing a veteran that may be taken against a liability for the tax on corporation income.

HCR 39 was referred to the Chief Clerk for enrollment.

HB 56

A message dated April 15, 2012, was received stating the Senate passed:

HOUSE BILL NO. 56

"An Act making arson in the first degree and arson in the second degree serious felonies for purposes of application of the crime of conspiracy."

HB 56 was referred to the Chief Clerk for enrollment.

HB 125

A message dated April 15, 2012, was received stating the Senate passed:

CS FOR HOUSE BILL NO. 125(L&C)(efd am)

"An Act moving the Alcoholic Beverage Control Board to the Department of Commerce, Community, and Economic Development and relating to duties of that department; relating to the exercise of peace officer powers granted by the Alcoholic Beverage Control Board; and providing for an effective date."

CSHB 125(L&C)(efd am) was referred to the Chief Clerk for enrollment.

HB 146

A message dated April 15, 2012, was received stating the Senate passed:

CS FOR HOUSE BILL NO. 146(RES)

"An Act authorizing the transfer of land from the State of Alaska and the Alaska Railroad Corporation to property owners along the Eielson Spur Line; and providing for an effective date."

CSHB 146(RES) was referred to the Chief Clerk for enrollment.

HB 196

A message dated April 15, 2012, was received stating the Senate passed:

CS FOR HOUSE BILL NO. 196(FIN)

"An Act relating to the power project fund and to the bulk fuel revolving loan fund; establishing a bulk fuel loan account and making the bulk fuel loan account and the bulk fuel bridge loan account separate accounts in the bulk fuel revolving loan fund; providing for technical assistance to rural borrowers under the bulk fuel bridge loan program; relating to the administration and investment of the bulk fuel revolving loan fund by the division in the Department of Commerce, Community, and Economic Development responsible for community and regional affairs; and providing for an effective date."

CSHB 196(FIN) was referred to the Chief Clerk for enrollment.

HB 245

A message dated April 15, 2012, was received stating the Senate passed:

CS FOR HOUSE BILL NO. 245(FIN)

"An Act establishing a snow classic as an authorized form of charitable gaming; and relating to the use of broadcasting and the Internet to promote a raffle and lottery."

CSHB 245(FIN) was referred to the Chief Clerk for enrollment.

HB 255

A message dated April 15, 2012, was received stating the Senate passed:

CS FOR HOUSE BILL NO. 255(JUD)

"An Act relating to screen devices in motor vehicles; prohibiting the driver of a motor vehicle from receiveding or typing a text message or other nonvoice message or communication on a cellular telephone, computer, or personal data assistant while driving a motor vehicle; and providing for an effective date."

CSHB 255(JUD) was referred to the Chief Clerk for enrollment.

HB 261

A message dated April 15, 2012, was received stating the Senate passed:

CS FOR HOUSE BILL NO. 261(FIN)

"An Act relating to loans for the purchase of commercial fishing entry permits; and providing for an effective date."

CSHB 261(FIN) was referred to the Chief Clerk for enrollment.

HB 269

A message dated April 15, 2012, was received stating the Senate passed:

CS FOR HOUSE BILL NO. 269(JUD)

"An Act relating to the amendment of a declaration that creates a common interest community."

CSHB 269(JUD) was referred to the Chief Clerk for enrollment.

HB 295

A message dated April 15, 2012, was received stating the Senate passed:

CS FOR HOUSE BILL NO. 295(RES)

"An Act approving an interim classification by the commissioner of natural resources closing certain land within the Glacier Creek and Winner Creek drainages to new mineral entry; amending the mineral entry closure in sec. 2, ch. 8, SLA 2003, for certain land within the Glacier Creek and Winner Creek drainages; and providing for an effective date."

CSHB 295(RES) was referred to the Chief Clerk for enrollment.

HB 298

A message dated April 15, 2012, was received stating the Senate passed:

CS FOR HOUSE BILL NO. 298(FIN)

"An Act exempting quarry rock, sand and gravel, and marketable earth mining operations from the mining license tax; and providing for an effective date."

CSHB 298(FIN) was referred to the Chief Clerk for enrollment.

HB 314

A message dated April 15, 2012, was received stating the Senate passed:

HOUSE BILL NO. 314

"An Act extending the time period for which the Alaska Railroad Corporation may lease land without reserving the right to terminate the lease; and providing for an effective date."

HB 314 was referred to the Chief Clerk for enrollment.

HB 343

A message dated April 15, 2012, was received stating the Senate passed:

CS FOR HOUSE BILL NO. 343(JUD) am

"An Act relating to disclosure of records of the Department of Health and Social Services pertaining to children in certain circumstances; and providing for an effective date."

CSHB 343(JUD) am was referred to the Chief Clerk for enrollment.

HB 366

A message dated April 15, 2012, was received stating the Senate passed:

HOUSE BILL NO. 366

"An Act establishing an Alaska intrastate mutual aid system and relating to the duties of the Alaska division of homeland security and emergency management and the duties of the Alaska State Emergency Response Commission."

HB 366 was referred to the Chief Clerk for enrollment.

HB 104

A message dated April 15, 2012, was received stating the Senate adopted the Conference Committee with limited powers of free conference report on CSHB 104(RLS) and SCS CSHB 104(FIN), thus adopting:

CONFERENCE CS FOR HOUSE BILL NO. 104

"An Act renaming the Alaska performance scholarship and relating to the scholarship and tax credits applicable to contributions to the scholarship; relating to AlaskAdvantage education grant funding and to Alaska performance scholarship funding; relating to AlaskAdvantage education grant eligibility; establishing accounts and a fund for those purposes; making conforming amendments; and providing for an effective date."

The House adopted CCS HB 104 (page 2526).

CCS HB 104 was referred to the Chief Clerk for engrossment and enrollment.

HB 284

A message dated April 15, 2012, was received stating the Senate adopted the Conference Committee with limited powers of free conference report on CSHB 284(FIN) and SCS CSHB 284(FIN) am S, thus adopting:

CONFERENCE CS FOR HOUSE BILL NO. 284

"An Act making appropriations for the operating and loan program expenses of state government and for certain programs, capitalizing funds, amending appropriations, and making reappropriations; and providing for an effective date."

The House adopted CCS HB 284 (page 2510).

CCS HB 284 was referred to the Chief Clerk for engrossment and enrollment.

HB 285

A message dated April 15, 2012, was received stating the Senate adopted the Conference Committee with limited powers of free conference report on CSHB 285(FIN) and SCS CSHB 285(FIN), thus adopting:

CONFERENCE CS FOR HOUSE BILL NO. 285

"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."

The House adopted CCS HB 285 (page 2509).

CCS HB 285 was referred to the Chief Clerk for engrossment and enrollment.

SB 23

A message dated April 15, 2012, was received stating the Senate concurred in the House amendment to:

CS FOR SENATE BILL NO. 23(FIN)

"An Act relating to transferable film production tax credits and film production tax credit certificates; requiring the legislative audit division to audit the Alaska film production incentive program; and providing for an effective date by amending the effective dates of secs. 3 and 4, ch. 63, SLA 2008."

thus adopting:

HOUSE CS FOR CS FOR SENATE BILL NO. 23(RLS) am H

"An Act relating to taxes and tax credits; exempting certain small businesses from the corporate income tax; relating to oil and gas production taxes; relating to tax credits for oil and gas exploration; relating to tax credits and cost savings for liquefied natural gas storage and reducing costs to consumers; relating to an exemption from rental payments on state land for certain liquefied natural gas facilities; relating to transferable film production tax credits and film production tax credit certificates; relating to the taxes against which a film production tax credit may be applied; transferring the film office to the Department of Revenue and relating to that office; establishing the Alaska Film Incentive Review Commission; establishing a film production promotion program; relating to the amount of credit that may be awarded for compensation to producers, directors, writers, and actors who are not residents; providing for a fee to be paid at the time an application for eligibility for the film production tax credit is filed;

providing a one-time credit for the first episodic scripted television production in the state; requiring the legislative audit division to audit the Alaska film production incentive program; providing for an effective date by repealing the effective dates of secs. 3 and 4, ch. 63, SLA 2008; and providing for an effective date."

(HCR 32 - title change resolution)

SB 25

A message dated April 15, 2012, was received stating the Senate concurred in the House amendment to:

CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 25(FIN)

"An Act establishing the sustainable energy transmission and supply development program in the Alaska Industrial Development and Export Authority; relating to the interest rates of the Alaska Industrial Development and Export Authority; and relating to taxes paid on interests in property owned by the Alaska Industrial Development and Export Authority and to the local contribution for public education funding related to that property."

thus adopting:

HOUSE CS FOR CS FOR SS FOR SENATE BILL NO. 25(L&C)

"An Act establishing the sustainable energy transmission and supply development program in the Alaska Industrial Development and Export Authority; and relating to the interest rates of the Alaska Industrial Development and Export Authority."

(HCR 34 - title change resolution)

SB 66

A message dated April 15, 2012, was received stating the Senate concurred in the House amendment to:

CS FOR SENATE BILL NO. 66(L&C)

"An Act creating a new markets tax credit assistance guarantee and loan program within the Alaska Industrial Development and

Export Authority and relating to the program; and providing for an effective date."

thus adopting:

HOUSE CS FOR CS FOR SENATE BILL NO. 66(FIN)

"An Act creating a new markets tax credit assistance guarantee and loan program within the Alaska Industrial Development and Export Authority and relating to the program; extending a mandatory exemption from municipal property taxes for certain assets of the Alaska Industrial Development and Export Authority; relating to an Alaska Energy Authority loan; providing for an effective date by amending the effective dates of sec. 2, ch. 10, SLA 2010, and sec. 2, ch. 71, SLA 2010; and providing for an effective date."

(HCR 35 - title change resolution)

SB 74

A message dated April 15, 2012, was received stating the Senate concurred in the House amendment to:

SENATE BILL NO. 74

"An Act requiring insurance coverage for autism spectrum disorders, describing the method for establishing a covered treatment plan for those disorders, and defining the covered treatment for those disorders; and providing for an effective date."

thus adopting:

HOUSE CS FOR SENATE BILL NO. 74(RLS) am H

"An Act requiring insurance coverage for autism spectrum disorders, describing the method for establishing a covered treatment plan for those disorders, and defining the covered treatment for those disorders; establishing the Comprehensive Autism Early Diagnosis and Treatment Task Force; and providing for an effective date."

(HCR 37 - title change resolution)

SB 82

A message dated April 15, 2012, was received stating the Senate concurred in the House amendment to CSSSSB 82(JUD), thus adopting:

HOUSE CS FOR CS FOR SS FOR SENATE BILL NO. 82(HSS)

"An Act relating to the procedures and jurisdiction of the Department of Health and Social Services for the care of children who are in state custody; relating to court jurisdiction and findings pertaining to children who are in state custody; and modifying the licensing requirements for foster care."

SB 89

A message dated April 15, 2012, was received stating the Senate concurred in the House amendment to CSSB 89(JUD), thus adopting:

HOUSE CS FOR CS FOR SENATE BILL NO. 89(JUD)

"An Act clarifying that a legislator or legislative employee is allowed to accept certain compassionate gifts; allowing legislators and legislative employees who are representing persons in an administrative hearing to contact hearing officers and attempt to influence the outcome of the hearing if they are professionals licensed in the state, and allowing legislators and legislative employees who are not professionals licensed in the state to contact hearing officers for the purpose of influencing the outcome of the hearing in certain instances; requiring the Select Committee on Legislative Ethics to maintain a public record of certain ethics disclosures made by legislators and legislative employees; prohibiting a public member of the Select Committee on Legislative Ethics from disclosing confidential information without authorization; clarifying the ethics disclosure requirements for tickets to or gifts in connection with charity events; amending disclosure deadlines under the Legislative Ethics Act; relating to requests to refrain from disclosure under the Legislative Ethics Act; relating to the applicability of certain provisions of the Legislative Ethics Act to certain legislative employees, volunteers, and interns; establishing a seat for an alternate public member on the Select Committee on Legislative Ethics; clarifying the requirements related to participation by alternate public members and alternate legislative members in the

proceedings of the committee; amending the definition of 'legislative employee' in the Legislative Ethics Act; and repealing a procedure for appointment of alternate legislative members."

SB 91

A message dated April 15, 2012, was received stating the Senate concurred in the House amendment to CSSB 91(FIN), thus adopting:

HOUSE CS FOR CS FOR SENATE BILL NO. 91(FIN)

"An Act amending the termination date of the licensing of sport fishing operators and sport fishing guides; and providing for an effective date."

SB 104

A message dated April 15, 2012, was received stating the Senate concurred in the House amendment to:

CS FOR SENATE BILL NO. 104(JUD)

"An Act relating to manufactured homes, including manufactured homes permanently affixed to land, to the conversion of manufactured homes to real property, to the severance of manufactured homes from real property, to the titling, conveyance, and encumbrance of manufactured homes, and to manufacturers' certificates of origin for vehicles; and providing for an effective date."

thus adopting:

HOUSE CS FOR CS FOR SENATE BILL NO. 104(RLS)

"An Act relating to manufactured homes, including manufactured homes permanently affixed to land, to the conversion of manufactured homes to real property, to the severance of manufactured homes from real property, to the titling, conveyance, and encumbrance of manufactured homes, and to manufacturers' certificates of origin for vehicles; allowing a deferral of municipal property taxes on the increase in the value of real property attributable to subdivision of that property; and providing for an effective date."

(HCR 38 - title change resolution)

SB 119

A message dated April 15, 2012, was received stating the Senate concurred in the House amendment to:

CS FOR SENATE BILL NO. 119(L&C)
"An Act relating to athletic trainers."

thus adopting:

HOUSE CS FOR CS FOR SENATE BILL NO. 119(FIN)
"An Act relating to athletic trainers; relating to student participation in interscholastic activities; and providing for an effective date."

(HCR 36 - title change resolution)

SB 135

A message dated April 15, 2012, was received stating the Senate concurred in the House amendment to:

CS FOR SENATE BILL NO. 135(JUD)
"An Act relating to the rights of crime victims; relating to the duties of prosecuting attorneys; and amending Rule 45, Alaska Rules of Criminal Procedure."

thus adopting:

HOUSE CS FOR CS FOR SENATE BILL NO. 135(FIN)
"An Act relating to the rights of crime victims; relating to the duties of prosecuting attorneys; relating to the victims' advocate and to the term of office of the victims' advocate; relating to the appointment of counsel for persons accused of crimes; amending Rules 39.1 and 45, Alaska Rules of Criminal Procedure; and providing for an effective date."

(HCR 29 - title change resolution)

SB 136

A message dated April 15, 2012, was received stating the Senate concurred in the House amendment to:

CS FOR SENATE BILL NO. 136(FIN) am

"An Act providing a tax credit for employing a veteran that may be taken against a liability for the tax on corporation income; and providing for an effective date."

thus adopting:

HOUSE CS FOR CS FOR SENATE BILL NO. 136(FIN)

"An Act authorizing the Department of Administration to note a person's status as a retired veteran or a veteran discharged under honorable conditions on the person's driver's license or identification card, to provide certain information to the Department of Military and Veterans' Affairs, and to charge a fee for replacing a valid driver's license or identification card with a new license or card that includes the veteran designation; providing a tax credit for employing a veteran that may be taken against a liability for the tax on corporation income; and providing for an effective date."

(HCR 39 - title change resolution)

SB 137

A message dated April 15, 2012, was received stating the Senate concurred in the House amendment to SB 137, thus adopting:

HOUSE CS FOR SENATE BILL NO. 137(FIN)

"An Act requiring suicide awareness and prevention training for certain school personnel."

SB 160

A message dated April 15, 2012, was received stating the Senate concurred in the House amendment to CSSB 160(FIN), thus adopting:

HOUSE CS FOR CS FOR SENATE BILL NO. 160(FIN) am H

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

SB 182

A message dated April 15, 2012, was received stating the Senate concurred in the House amendment to:

CS FOR SENATE BILL NO. 182(EDC)

"An Act amending the amount of state funding provided to school districts for pupil transportation."

thus adopting:

HOUSE CS FOR CS FOR SENATE BILL NO. 182(FIN)

"An Act amending the amount of state funding provided to school districts for pupil transportation; relating to the local contribution for public education; relating to the vocational and technical instruction funding factor for public school funding; establishing in the Department of Education and Early Development a voluntary parent and early childhood education program for pre-elementary aged children; and providing for an effective date."

(HCR 33 - title change resolution)

SB 210

A message dated April 15, 2012, was received stating the Senate concurred in the House amendment to:

CS FOR SENATE BILL NO. 210(FIN)

"An Act relating to crimes against children; and providing for an effective date."

thus adopting:

HOUSE CS FOR CS FOR SENATE BILL NO. 210(JUD)

"An Act relating to crimes against children; relating to persons found guilty but mentally ill; relating to sentencing procedures for factors that may increase the presumptive range or affect mandatory parole eligibility; relating to the granting of probation; relating to procedures for finding aggravating factors at sentencing; relating to crimes of human trafficking; establishing a task force to evaluate services available to victims of human trafficking, sex trafficking, or promotion of prostitution and

examine the prevalence of those crimes; relating to the recommendations and report of the task force; amending Rule 32.1, Alaska Rules of Criminal Procedure; and providing for an effective date."

(HCR 30 - title change resolution)

HB 218

A message dated April 17, 2012, was received stating the Senate engrossed the following:

CS FOR HOUSE BILL NO. 218(L&C) am S

"An Act prohibiting an insurer from using a drug formulary system of specialty tiers under certain circumstances; relating to a reinsurance program reinsuring residents who are high risks; and providing for an effective date."

**INTRODUCTION, FIRST READING, AND REFERENCE
OF HOUSE RESOLUTIONS****HCR 301**

HOUSE CONCURRENT RESOLUTION NO. 301 by the House Rules Committee:

Suspending Rules 47 and 55, Uniform Rules of the Alaska State Legislature, relating to the carry-over of bills to a special session.

was read the first time.

**INTRODUCTION, FIRST READING, AND REFERENCE
OF HOUSE BILLS****HB 3001**

HOUSE BILL NO. 3001 by the House Rules Committee by request of the Governor, entitled:

"An Act relating to adjustments to oil and gas production tax values based on a percentage of gross value at the point of

production for oil and gas produced from leases or properties north of 68 degrees North latitude; relating to monthly installment payments of the oil and gas production tax; relating to the determinations of oil and gas production tax values; relating to oil and gas production tax credits including qualified capital credits for exploration, development, or production; making conforming amendments; and providing for an effective date."

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

The following fiscal note(s) apply:

1. Indeterminate, Dept. of Revenue

The Governor's transmittal letter dated April 18, 2012, follows:

"Dear Speaker Chenault:

Alaska's oil belongs to Alaskans, and oil production drives Alaskan opportunity. Alaskan engineers, contractors, and maintenance personnel earn their livelihoods from oil production; but so – indirectly – do restaurateurs, retailers, working men and women of all trades, and business owners. Oil production also supports the public sector, providing revenue that creates opportunities for schools, public safety, roads, libraries, energy infrastructure, and many other services for Alaskans.

Alaskans are well aware that oil production from the legacy fields is declining. The costs of maintaining a declining field go up, and higher cost barrels of oil get left in the ground if they are not economic to produce. That is the risk – that without meaningful tax change for legacy fields as well as new fields, a larger percentage of Alaskans' resource will remain locked in the ground. We can avoid this risk and ensure a more prosperous future for Alaskans if we are willing to continue working to increase oil production in all of Alaska's fields.

We must take decisive action to ensure that Alaska's petroleum resources are developed sensibly, starting with a tax structure that is designed not to maximize short-term revenues, but rather to ensure

Alaska's long-term competitiveness. The Legislature has completed much study, the public is better informed, and the House and Senate now have positions on the table.

I am submitting a piece of legislation that blends the positions of the House and Senate into a comprehensive approach that will bring economic opportunity to Alaskans for generations to come. Under the authority of Article III, Section 18 of the Alaska Constitution, I am transmitting a bill proposing amendments to Alaska's oil and gas production tax. The bill would provide tax incentives for the oil and gas industry to increase exploration for new sources and greater development of existing fields.

The bill incentivizes new oil and gas production on the North Slope by providing a 30 percent exclusion, based on gross value at the point of production, from the production tax value used to calculate the base rate and the progressivity tax for the first ten years of sustained production from fields that were not, as of January 1, 2008, within a unit or in commercial production. For currently producing North Slope fields, the bill establishes an exclusion of 40 percent of gross value at the point of production from the monthly production tax value used to calculate the progressivity tax. The bill caps progressivity by establishing a 60 percent maximum rate. Finally, the bill would extend tax incentives for well lease expenditures available elsewhere in the state through AS 43.55.023(l) to North Slope activities and would allow producers to apply tax credits in one year. These changes are designed both to encourage development of new, currently undeveloped leases or properties, and from known fields in the state.

These changes to Alaska's oil tax regime would foster new production sources and encourage further development of current sources to stem the decline in North Slope production.

I urge your prompt and favorable action on this measure.

Sincerely,

/s/

Sean Parnell
Governor"

UNFINISHED BUSINESS

Representative Austerman 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 Kerttula – from 10:00 a.m. to 1:30 p.m., April 19

Representative Saddler – from 6:00 p.m., April 26 to 11:00 a.m., April 30

Representative Gara – from 6:00 a.m., April 21 to 11:00 p.m., May 5 (amended from page 2452)

Representative Dick – from 6:00 p.m., April 18 to 11:00 a.m., April 19

Representative Thompson – from 7:00 a.m., April 20 to 10:30 a.m., April 22

Representative Johnson – from 5:00 p.m., April 18 to 10:00 a.m., April 24

The Speaker announced that Rules 23(d) and 44 of the Uniform Rules remain in effect for the special session.

The Speaker stated that, without objection, the House would recess to a Call of the Chair; and so, the House recessed at 1:18 p.m.

AFTER RECESS

The Speaker called the House back to order at 2:09 p.m.

The Speaker stated that, without objection, the House would revert to:

MESSAGES FROM THE SENATE

A message dated April 18, 2012, was read stating the Senate passed the following, and it is transmitted for consideration:

**FIRST READING AND REFERENCE
OF SENATE RESOLUTIONS**

SCR 301

SENATE CONCURRENT RESOLUTION NO. 301 by the Senate Rules Committee:

Suspending Rules 47 and 55, Uniform Rules of the Alaska State Legislature, relating to the carry-over of bills to a special session.

was read the first time.

Representative Austerman moved SCR 301.

The question being: "Shall SCR 301 pass the House?" The roll was taken with the following result:

SCR 301

Final Passage

YEAS: 32 NAYS: 0 EXCUSED: 6 ABSENT: 1 VACANT: 1

Yeas: Austerman, Chenault, Cissna, Dick, Doogan, Fairclough, Foster, Gara, Gardner, Gruenberg, Hawker, Herron, Holmes, Johansen, Johnson, Joule, Kawasaki, Keller, Kerttula, Lynn, Miller, Millett, Munoz, Neuman, Petersen, Saddler, Seaton, Stoltze, Thompson, Tuck, P.Wilson, T.Wilson

Excused: Costello, Edgmon, Feige, Guttenberg, Olson, Thomas

Absent: Pruitt

And so, SCR 301 passed the House, was signed by the Speaker and Chief Clerk, and returned to the Senate.

UNFINISHED BUSINESS

Representative Austerman moved and asked unanimous consent that he be excused from a call of the House from 11:00 a.m., April 19 to 10:30 p.m., April 24. There being no objection, it was so ordered.

ENGROSSMENT**SB 23**

The following, which engrossment was waived (page 2533), was engrossed and returned to the Senate April 17, 2012:

HOUSE CS FOR CS FOR SENATE BILL NO. 23(RLS) am H

"An Act relating to taxes and tax credits; exempting certain small businesses from the corporate income tax; relating to oil and gas production taxes; relating to tax credits for oil and gas exploration; relating to tax credits and cost savings for liquefied natural gas storage and reducing costs to consumers; relating to an exemption from rental payments on state land for certain liquefied natural gas facilities; relating to transferable film production tax credits and film production tax credit certificates; relating to the taxes against which a film production tax credit may be applied; transferring the film office to the Department of Revenue and relating to that office; establishing the Alaska Film Incentive Review Commission; establishing a film production promotion program; relating to the amount of credit that may be awarded for compensation to producers, directors, writers, and actors who are not residents; providing for a fee to be paid at the time an application for eligibility for the film production tax credit is filed; providing a one-time credit for the first episodic scripted television production in the state; requiring the legislative audit division to audit the Alaska film production incentive program; providing for an effective date by repealing the effective dates of secs. 3 and 4, ch. 63, SLA 2008; and providing for an effective date."

SB 74

The following, which engrossment was waived (page 2480), was engrossed and returned to the Senate April 17, 2012:

HOUSE CS FOR SENATE BILL NO. 74(RLS) am H

"An Act requiring insurance coverage for autism spectrum disorders, describing the method for establishing a covered treatment plan for those disorders, and defining the covered treatment for those disorders; establishing the Comprehensive Autism Early Diagnosis and Treatment Task Force; and providing for an effective date."

SB 160

The following, which engrossment was waived (page 2540), was engrossed and returned to the Senate April 18, 2012:

HOUSE CS FOR CS FOR SENATE BILL NO. 160(FIN) am H
"An Act making and amending appropriations, including capital appropriations, supplemental appropriations, and other appropriations; making appropriations to capitalize funds; and providing for an effective date."

ENROLLMENT**HB 255**

The following was enrolled, signed by the Speaker and Chief Clerk, President and Secretary of the Senate, and the engrossed and enrolled copies were transmitted to the Office of the Governor at 12:01 p.m., April 18, 2012:

CS FOR HOUSE BILL NO. 255(JUD)
"An Act relating to screen devices in motor vehicles; prohibiting the driver of a motor vehicle from reading or typing a text message or other nonvoice message or communication on a cellular telephone, computer, or personal data assistant while driving a motor vehicle; and providing for an effective date."

ANNOUNCEMENTS

House committee schedules are published under separate cover.

ADJOURNMENT

Representative Austerman moved and asked unanimous consent that the House adjourn until 11:00 a.m., April 19, 2012. There being no objection, the House adjourned at 2:12 p.m.

Suzi Lowell
Chief Clerk