

SENATE JOURNAL
ALASKA STATE LEGISLATURE
TWENTY-SEVENTH LEGISLATURE
FIRST SESSION

Juneau, Alaska

Wednesday

January 19, 2011

Second Day

Pursuant to adjournment the Senate was called to order by President Stevens at 11:01 a.m.

The roll showed twenty members present.

The prayer was offered by the Chaplain, Reverend Bob Stevens of St. Brendan's Episcopal Church. Senator Hoffman moved and asked unanimous consent that the prayer be spread. Without objection, it was so ordered.

Lord God, Creator God,

I pray for this new session, our Senators, all who work here, and the people represented. Help them to be able to serve the people in an honorable way knowing it is not easy to represent a diverse body of people. Let their work honor this state and all the people of this great land.

Creator, bless the families many of this group have left behind to do this work. In the days ahead when it seems impossible to find common ground, show them all things are possible. I pray that we realize we are more alike than different.

Help us all to remember that every day is a gift, that we do not know how many we have, and to use them wisely. Lord, let us concentrate on today, knowing

there is nothing we can do about yesterday and tomorrow is too far away. And when this day is over let us be proud of every action taken in these chambers.

All this I ask in your name.

Amen.

Senator Coghill led the Senate in the Pledge of Allegiance.

Certification

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

Messages from the Governor

Introduction of Executive Orders

EO 115

EXECUTIVE ORDER NO. 115

Realigning the oversight authority of the Alaska Aerospace Corporation from the Department of Commerce, Community and Economic Development to the Department of Military and Veterans' Affairs.
(received January 18)

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

The following fiscal information was published today:

Fiscal Note No. 1, zero, Department of Military and Veterans' Affairs

Fiscal Note No. 2, zero, Department of Commerce, Community and Economic Development

Fiscal Note No. 3, zero, Department of Commerce, Community and Economic Development

Governor's transmittal letter dated January 18:

Dear President Stevens,

Under the authority of Article III, Section 23, of the Alaska Constitution, and in accordance with AS 24.08.020, I am transmitting Executive Order 115 to realign the oversight authority of the Alaska Aerospace Corporation from the Department of Commerce, Community, and Economic Development to the Department of Military and Veterans' Affairs.

The Alaska Aerospace Corporation is an entity that works closely with federal military programs and commercial aerospace companies to build capacity to launch test rockets and satellites into space. By changing oversight authority to the Department of Military and Veterans' Affairs (DMVA) from the Department of Commerce, Community, and Economic Development (DCCED), the Alaska Aerospace Corporation (AAC) would have better access to federal military command structure and better opportunity to attract military contracts. The focus for AAC has expanded and is no longer primarily commercial business development, but rather development of a unique niche market driven by government and military customers. As AAC expands into other aerospace associated operations, such as missile defense, alignment under DMVA provides increased security assurances to the Department of Defense. By strengthening military ties, this move will ultimately help grow related private sector opportunities.

This Executive Order is designed to better build a strong and dependable aerospace industry in Alaska.

Sincerely,

/s/

Sean Parnell
Governor

Recess

Senator Meyer moved and asked unanimous consent that the Senate stand in recess to a call of the Chair. Without objection, the Senate recessed at 11:07 a.m.

After Recess

The Senate reconvened at 11:14 a.m.

Special Committee Reports**Committee on Committees**

Report dated January 19 was read stating:

Mr. President:

Your Committee on Committees has met and submits to the Senate for its consideration the following change to the Committee on Committees report adopted January 18, 2011 (page 6):

State Affairs Committee

Senator Giessel replaces Senator Davis as a member

The report was signed by Senator Stevens, Chair; Senators Meyer, Ellis, Stedman, Hoffman.

Senator Meyer moved and asked unanimous consent that the Committee on Committees report be adopted. Without objection, it was so ordered.

**Introduction and Reference of
Senate Resolutions****SJR 1**

SENATE JOINT RESOLUTION NO. 1 BY SENATOR MENARD,

Proposing amendments to the Constitution of the
State of Alaska relating to terms of legislators.
(Prefile released January 7, 2011)

was read the first time and referred to the Community and Regional Affairs, State Affairs, and Judiciary Committees.

SJR 2

SENATE JOINT RESOLUTION NO. 2 BY SENATORS DYSON,
Wagoner, Giessel, Meyer,

Commending and supporting the aggressive actions of the governor to protect the state from federal government incursion into the care and management of state resources and to promote the economic prosperity of the state; and urging the United States Congress and the President of the United States to limit the exercise of federal powers to those enumerated in the United States Constitution and to trust and empower states to manage their own affairs.

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

SJR 3

SENATE JOINT RESOLUTION NO. 3 BY SENATOR DAVIS,

Proposing amendments to the Constitution of the State of Alaska relating to the office of attorney general and creating the position of general counsel.

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

SCR 1

SENATE CONCURRENT RESOLUTION NO. 1 BY SENATOR
DAVIS,

Designating May 2011 as Lupus Awareness Month.

was read the first time and referred to the State Affairs and Health and Social Services Committee.

SCR 2

SENATE CONCURRENT RESOLUTION NO. 2 BY SENATOR
DAVIS,

Proposing amendments to the Uniform Rules of the Alaska State Legislature relating to the presiding officer pro tempore.

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

Introduction and Reference of Senate Bills

SB 1

SENATE BILL NO. 1 BY SENATOR DAVIS, entitled:

"An Act requiring the state Board of Education and Early Development to provide an annual report to the legislature."
(Prefile released January 7, 2011)

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

SB 2

SENATE BILL NO. 2 BY SENATORS MENARD, HUGGINS, Wagoner, Dyson, Giessel, Meyer, entitled:

"An Act relating to National Rifle Association special request license plates."
(Prefile released January 7, 2011)

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

SB 3

SENATE BILL NO. 3 BY SENATORS WIELECHOWSKI, ELLIS, DAVIS, EGAN, FRENCH, KOOKESH, MCGUIRE, MENARD, PASKVAN, THOMAS, entitled:

"An Act providing for funding for school lunch and breakfast."
(Prefile released January 7, 2011)

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

SB 4

SENATE BILL NO. 4 BY SENATOR MENARD, entitled:

"An Act establishing Alaska Volunteer Appreciation Day."

(Prefile released January 7, 2011)

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

SB 5

SENATE BILL NO. 5 BY SENATORS DAVIS, EGAN, ELLIS, FRENCH, WIELECHOWSKI, Thomas, entitled:

"An Act relating to eligibility requirements for medical assistance for certain children and pregnant women; and providing for an effective date."

(Prefile released January 7, 2011)

was read the first time and referred to the Health and Social Services and Finance Committees.

SB 6

SENATE BILL NO. 6 BY SENATORS DAVIS, FRENCH, entitled:

"An Act relating to providing a prekindergarten program within a school district; and providing for an effective date."

(Prefile released January 7, 2011)

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

SB 7

SENATE BILL NO. 7 BY SENATOR DAVIS, entitled:

"An Act relating to the civil rights of felons."

(Prefile released January 7, 2011)

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

SB 8

SENATE BILL NO. 8 BY SENATOR DAVIS, entitled:

"An Act relating to questionnaires and surveys administered in the public schools."
(Prefile released January 7, 2011)

was read the first time and referred to the Education and Health and Social Services Committees.

SB 9

SENATE BILL NO. 9 BY SENATOR DAVIS, entitled:

"An Act relating to compulsory school attendance; and relating to the crime of contributing to the delinquency of a minor."
(Prefile released January 7, 2011)

was read the first time and referred to the Education, Judiciary and Finance Committees.

SB 10

SENATE BILL NO. 10 BY SENATOR DAVIS, entitled:

"An Act repealing the secondary student competency examination and related requirements; and providing for an effective date."
(Prefile released January 7, 2011)

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

SB 11

SENATE BILL NO. 11 BY SENATORS DAVIS, French, entitled:

"An Act relating to the commission of a crime when the defendant directed the conduct constituting the crime at the victim based on the victim's race, sex, color, creed, physical or mental disability, sexual orientation, gender identity, ancestry, or national origin."
(Prefile released January 7, 2011)

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

SB 12

SENATE BILL NO. 12 BY SENATOR DAVIS, entitled:

"An Act extending the termination date of the Board of Nursing; and providing for an effective date."
(Prefile released January 7, 2011)

was read the first time and referred to the Health and Social Services and Finance Committees.

SB 13

SENATE BILL NO. 13 BY SENATOR FRENCH, entitled:

"An Act providing for the waiver of certain fees and charges in state parks for disabled veterans."
(Prefile released January 7, 2011)

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

SB 14

SENATE BILL NO. 14 BY SENATORS DYSON, COGHILL, entitled:

"An Act providing for the protection and reasonable accommodation of a health care provider's expression of conscience pertaining to a health care service; and providing for immunity, an exception, and prohibition of discrimination for an expression of conscience by a health care provider."
(Prefile released January 7, 2011)

was read the first time and referred to the Health and Social Services and Judiciary Committees.

SB 15

SENATE BILL NO. 15 BY SENATOR MEYER, entitled:

"An Act relating to penalties for certain alcohol offenses involving persons under 21 years of age committed by a sex offender or child kidnapper."
(Prefile released January 7, 2011)

was read the first time and referred to the Health and Social Services and Judiciary Committees.

SB 16

SENATE BILL NO. 16 BY SENATORS MEYER, Dyson, Giessel, entitled:

"An Act relating to special request choose life license plates; and providing for an effective date."
(Prefile released January 7, 2011)

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

SB 17

SENATE BILL NO. 17 BY SENATORS MEYER, Dyson, Giessel, entitled:

"An Act classifying certain synthetic cannabinoids as schedule IIA controlled substances; and providing for an effective date."
(Prefile released January 7, 2011)

was read the first time and referred to the Health and Social Services and Judiciary Committees.

SB 18

SENATE BILL NO. 18 BY SENATOR STEVENS, entitled:

"An Act relating to the duration of regular sessions of the legislature; and providing for an effective date."
(Prefile released January 7, 2011)

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

SB 19

SENATE BILL NO. 19 BY SENATOR FRENCH, entitled:

"An Act excluding motorcycles and motor-driven cycles from the passenger vehicle rental tax."
(Prefile released January 7, 2011)

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

SB 20

SENATE BILL NO. 20 BY SENATORS WAGONER, Dyson, entitled:

"An Act relating to personal use fishing permits; and establishing the personal use fishery fund."
(Prefile released January 7, 2011)

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

SB 21

SENATE BILL NO. 21 BY SENATORS WIELECHOWSKI, KOOKESH, MEYER, PASKVAN, MCGUIRE, French, Menard, entitled:

"An Act extending senior benefits."
(Prefile released January 7, 2011)

was read the first time and referred to the Health and Social Services and Finance Committees.

SB 22

SENATE BILL NO. 22 BY SENATOR MCGUIRE, entitled:

"An Act relating to prevention and evaluation of and liability for traumatic brain injuries in student athletes."
(Prefile released January 7, 2011)

was read the first time and referred to the Health and Social Services and Finance Committees.

SB 23

SENATE BILL NO. 23 BY SENATORS ELLIS, McGuire, French, entitled:

"An Act relating to transferable film production tax credits; and providing for an effective date by amending the effective dates of secs. 3 and 4, ch. 63, SLA 2008."

(Prefile released January 7, 2011)

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

SB 24

SENATE BILL NO. 24 BY SENATOR MCGUIRE, entitled:

"An Act establishing the Sport Fishing Guide Services Board and licensing requirements for sport fishing guide-outfitters, sport fishing outfitters, sport fishing assistant guides, and sport fishing transporters; making conforming amendments; allowing the Department of Fish and Game to collect information on guiding services; and providing for an effective date."

(Prefile released January 7, 2011)

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

SB 25

SENATE BILL NO. 25 BY SENATOR MCGUIRE, entitled:

"An Act relating to participation by the Alaska Industrial Development and Export Authority in energy projects."

(Prefile released January 7, 2011)

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

SB 26

SENATE BILL NO. 26 BY SENATOR MCGUIRE, entitled:

"An Act exempting vehicles fueled solely by electricity or compressed natural gas from motor vehicle registration fees and taxes; and providing for an effective date."

(Prefile released January 7, 2011)

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

SB 27

SENATE BILL NO. 27 BY SENATOR WIELECHOWSKI, entitled:

"An Act relating to flame retardants and to the manufacture, sale, and distribution of products containing flame retardants; relating to bioaccumulative toxic chemicals; and providing for an effective date."

(Prefile released January 7, 2011)

was read the first time and referred to the Health and Social Services and Finance Committees.

SB 28

SENATE BILL NO. 28 BY SENATORS WIELECHOWSKI, ELLIS, FRENCH, entitled:

"An Act making sales of and offers to sell certain energy resources at prices that are unconscionable an unlawful act or practice under the Alaska Unfair Trade Practices and Consumer Protection Act."

(Prefile released January 7, 2011)

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

SB 29

SENATE BILL NO. 29 BY SENATOR WIELECHOWSKI, entitled:

"An Act relating to the reporting and analysis of certain information relating to tax credits, deductions, exclusions, exemptions, deferrals, and other tax expenditures; and providing for an effective date."
(Prefile released January 7, 2011)

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

SB 30

SENATE BILL NO. 30 BY SENATOR DYSON, entitled:

"An Act providing for the release of certain property in the custody of a law enforcement agency to the owner under certain conditions."
(Prefile released January 7, 2011)

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

SB 31

SENATE BILL NO. 31 BY SENATORS THOMAS, FRENCH, MENARD, WIELECHOWSKI, entitled:

"An Act relating to the counting of write-in votes."
(Prefile released January 7, 2011)

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

SB 32

SENATE BILL NO. 32 BY SENATORS WIELECHOWSKI, MCGUIRE, entitled:

"An Act making a special appropriation to capitalize the alternative energy revolving loan fund; and providing for an effective date."
(Prefile released January 14, 2011)

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

SB 33

SENATE BILL NO. 33 BY SENATORS WIELECHOWSKI, PASKVAN, COGHILL, Menard, entitled:

"An Act relating to the disposition of remains of a member of the military if the member dies while in a duty status."

(Prefile released January 14, 2011)

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

SB 34

SENATE BILL NO. 34 BY SENATORS WIELECHOWSKI, ELLIS, PASKVAN, MCGUIRE, MENARD, THOMAS, Davis, entitled:

"An Act establishing the Alaska small business revolving loan fund; relating to the fund and loans from the fund; and providing for an effective date."

(Prefile released January 14, 2011)

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

SB 35

SENATE BILL NO. 35 BY SENATORS THOMAS, Davis, entitled:

"An Act relating to immunity of persons who provide surveillance videos to law enforcement agencies for law enforcement purposes."

(Prefile released January 14, 2011)

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

SB 36

SENATE BILL NO. 36 BY SENATOR THOMAS, entitled:

"An Act relating to an opt-out charitable giving program offered by an electric or telephone cooperative."

(Prefile released January 14, 2011)

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

SB 37

SENATE BILL NO. 37 BY SENATOR THOMAS, entitled:

"An Act relating to the transportation infrastructure fund, to local public transportation, to motor fuel taxes, and to the motor vehicle registration fee; and providing for an effective date."

(Prefile released January 14, 2011)

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

SB 38

SENATE BILL NO. 38 BY SENATOR MEYER, entitled:

"An Act establishing a one-time occupational death benefit for peace officers and firefighters."

(Prefile released January 14, 2011)

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

SB 39

SENATE BILL NO. 39 BY SENATOR FRENCH, entitled:

"An Act ratifying an interstate compact to elect the President and Vice-President of the United States by national popular vote; and making related changes to statutes applicable to the selection by voters of electors for candidates for President and Vice-President of the United States and to the duties of those electors."

(Prefile released January 14, 2011)

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

SB 40

SENATE BILL NO. 40 BY SENATOR MEYER, entitled:

"An Act prohibiting certain automated telephone solicitations."

(Prefile released January 14, 2011)

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

SB 41

SENATE BILL NO. 41 BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR, entitled:

"An Act suspending the motor fuel tax; and providing for an effective date."

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

The following fiscal information was published today:

Fiscal Note No. 1, Department of Revenue

Fiscal Note No. 2, zero, Department of Transportation and Public Facilities

Governor's transmittal letter dated January 14:

Dear President Stevens:

Under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill suspending the State motor fuel tax. In an effort to provide immediate, individual tax relief, I am proposing that the State motor fuel tax be suspended for a period of 24 months.

The actual amount of money saved by Alaskans will vary depending on the type of fuel being purchased; however, most consumers should save eight cents per gallon when fueling their vehicle, boat, or plane. Since many Alaskan communities face the highest energy costs in the nation, this relief is urgently needed. While suspending the motor fuel tax would provide a temporary reduction in the cost of motor fuel, action is necessary for long term solutions to high energy costs.

I urge your prompt and favorable action on the bill.

Sincerely,

/s/

Sean Parnell
Governor

SB 42

SENATE BILL NO. 42 BY THE SENATE RULES COMMITTEE
BY REQUEST OF THE GOVERNOR, entitled:

"An Act relating to the procurement of supplies, services, professional services, and construction for the Alaska Energy Authority; establishing the Alaska Railbelt energy fund and relating to the fund; relating to and repealing the Railbelt energy fund; relating to the quorum of the board of the Alaska Energy Authority; relating to the powers of the Alaska Energy Authority regarding employees and the transfer of certain employees of the Alaska Industrial Development Export Authority to the Alaska Energy Authority; relating to acquiring or constructing certain projects by the Alaska Energy Authority; relating to the definition of 'feasibility study' in the Alaska Energy Authority Act; and providing for an effective date."

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

The following fiscal information was published today:

- Fiscal Note No. 1, Department of Commerce, Community and Economic Development
- Fiscal Note No. 2, Department of Commerce, Community and Economic Development
- Fiscal Note No. 3, Department of Commerce, Community and Economic Development
- Fiscal Note No. 4, Department of Commerce, Community and Economic Development
- Fiscal Note No. 5, Department of Commerce, Community and Economic Development
- Fiscal Note No. 6, Department of Commerce, Community and Economic Development
- Fiscal Note No. 7, Department of Commerce, Community and Economic Development

Governor's transmittal letter dated January 14:

Dear President Stevens:

Under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill that would authorize the Alaska Energy Authority (AEA) to move forward on pursuing a large hydroelectric project to supply much needed energy to Interior and Southcentral Alaska. The bill would authorize AEA to acquire, construct, own, and operate new power projects; create a new Alaska Railbelt energy fund as a fund of AEA; repeal the existing Railbelt energy fund (AS 37.05.520) after the balance of the existing fund is appropriated and transferred into the new fund or appropriated and expended for other purposes; address quorum requirements of the AEA board; and allow for the adoption of regulations to govern the procurement of supplies, services, professional services, and construction.

Alaska's State Energy Policy target is to reach 50 percent of its electricity generation through renewable energy by 2025. To achieve this goal, we must move aggressively and invest now to develop capacity for a major hydroelectric project on the Susitna River. This legislation allows AEA to continue with environmental and feasibility

studies positioning the State to seek preliminary approval from the Federal Energy Regulatory Commission for a project that will provide half of Southcentral's electricity demand.

Alaska must invest now to create new opportunities for economic development and jobs for Alaskans. A Susitna Dam hydroelectric project will provide an important and much needed supply of renewable energy for Alaskan homes and businesses while creating jobs for Alaskans. A sectional analysis is provided with this packet.

I urge your prompt and favorable action on this important measure.

Sincerely,

/s/

Sean Parnell
Governor

SB 43

SENATE BILL NO. 43 BY THE SENATE RULES COMMITTEE
BY REQUEST OF THE GOVERNOR, entitled:

"An Act renaming the Alaska performance scholarship and relating to the scholarship and tax credits applicable to contributions to the scholarship; establishing the Alaska performance scholarship investment fund and the Alaska performance scholarship award fund and relating to the funds; making conforming amendments; and providing for an effective date."

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

The following fiscal information was published today:

Fiscal Note No. 1, Department of Revenue

Fiscal Note No. 2, zero, Department of Revenue

Governor's transmittal letter dated January 14:

Dear President Stevens:

It is time now to sustainably fund the performance scholarships we so diligently worked together on last year. Under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill renaming the Alaska Merit Scholarship to the Alaska Performance Scholarship; relating to tax credits applicable to contributions for the scholarships; and establishing the Alaska Performance Scholarship investment fund and the Alaska Performance Scholarship award fund. This bill would create funding mechanisms for the Alaska Performance Scholarship that are in accordance with recommendations of the Alaska State Legislature's Joint Higher Education Scholarship Funding Task Force.

The Alaska Performance Scholarship incentivizes Alaska students to take a rigorous curriculum and earn scholarships for post-secondary education. This will lead to increased academic performance in our high schools, increased parental involvement, and increased graduation rates. More students will graduate prepared to enter and complete postsecondary education and training in Alaska. The scholarship helps a variety of students – those who seek career and technical training as well as academic studies – to realize their dreams through their own hard work.

The bill creates an Alaska Performance Scholarship investment fund. The fund would consist of appropriations to the fund, donations to the fund, and income earned on investments of fund assets. Also, the bill would create the Alaska Performance Scholarship award fund to make scholarship awards. The bill would authorize certain tax credits applicable to contributions to the scholarship.

The graduating class of 2011 will be the first students eligible for this opportunity. I urge your prompt and favorable action on this important measure.

Sincerely,

/s/

Sean Parnell
Governor

SB 44

SENATE BILL NO. 44 BY THE SENATE RULES COMMITTEE
BY REQUEST OF THE GOVERNOR, entitled:

"An Act relating to the Southeast State Forest; and
providing for an effective date."

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

The following fiscal information was published today:

Fiscal Note No. 1, zero, Department of Natural Resources

Governor's transmittal letter dated January 14:

Dear President Stevens:

Under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill relating to the Southeast State Forest. The Southeast State Forest was established in June 2010, under Chapter 112, SLA 2010, in an effort to ensure that State lands in Southeast Alaska that had already been designated for commercial forestry management would be managed as an integrated unit and according to a broader long-term and comprehensive forest management plan. This bill would designate an additional 23,181 acres of commercial forest lands that are conducive to meeting these goals, almost doubling the size of the Southeast State Forest, and further ensuring an appropriate land base for long-term forest management. The lands would continue to be open for multiple uses, including wildlife harvest and recreational activities.

Adding lands to the Southeast State Forest enables the Division of Forestry in the Department of Natural Resources to manage this land to increase long-term timber supply for local processors and wood energy needs, provide near-term jobs in pre-commercial thinning, timber harvest and milling, and retain the land in State ownership for multiple uses.

The bill contains provisions to avoid conflicts with the newly formed City and Borough of Wrangell's land selection and entitlement. Additionally, if new municipalities are incorporated before June 30, 2019, lands that were vacant, unappropriated, and unreserved before establishment of the State Forest will be included in the calculation of the municipal entitlement acreage, but may not be selected.

Alaska's timber industry and energy needs remain top priorities of my administration. This legislation is one important piece of our overall strategy to stabilize and revitalize the timber industry and expand wood energy opportunities in Southeast Alaska.

I urge your prompt and favorable action on this measure.

Sincerely,

/s/

Sean Parnell
Governor

SB 45

SENATE BILL NO. 45 BY THE SENATE RULES COMMITTEE
BY REQUEST OF THE GOVERNOR, entitled:

"An Act extending the termination date of the Alaska coastal management program and relating to the extension; relating to the review of activities of the Alaska coastal management program; providing for an effective date by amending the effective date of sec. 22, ch. 31, SLA 2005; and providing for an effective date."

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

The following fiscal information was published today:

Fiscal Note No. 1, Department of Natural Resources
Fiscal Note No. 2, zero, Department of Environmental
Conservation

Governor's transmittal letter dated January 14:

Dear President Stevens:

Under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill extending the termination date of the Alaska coastal management program by six years and relating to the extension; relating to the review of activities of the Alaska coastal management program; and providing for an effective date by amending the effective date of Sec. 22, Ch. 31, SLA 2005.

The Alaska coastal management program is currently set to automatically terminate on July 1, 2011.

I urge your prompt and favorable action on this measure.

Sincerely,

/s/

Sean Parnell
Governor

SB 46

SENATE BILL NO. 46 BY THE SENATE RULES COMMITTEE
BY REQUEST OF THE GOVERNOR, entitled:

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

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

Governor's transmittal letter dated January 14:

Dear President Stevens:

Under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill relating to the State's capital budget for Fiscal Year 2012 (FY 2012).

My budget proposal for FY 2012 continues to focus on fostering jobs and economic development. The framework for the budget is based on our constitutional responsibilities for spending – education, public safety, transportation, and responsible resource development.

The proposed capital budget totals \$1.6 billion and includes resource development and infrastructure projects throughout Alaska. The budget includes \$103 million in State general funds to leverage over \$705 million in federal and other funds. I have also included projects designed to lower energy costs and meet the long term goal of generating 50 percent of Alaska's electricity through renewable energy sources by 2025. State investment in large-scale hydroelectric development, weatherization, and renewable energy will help us achieve these objectives. Continuing gas line development, including in-state gas, are also key elements of the proposed capital budget. The budget contains funding for school construction and major maintenance projects and requests the second year of a five-year deferred maintenance plan to take care of the State's assets.

My proposed capital budget recognizes that responsible resource development is the foundation for our future prosperity. We must leverage our funds to promote safe, sound development and to promote private-sector investment and job creation. The capital budget represents a significant investment in Alaska's infrastructure including roads to access resources, surface transportation, airport improvements, water and wastewater projects, and port facilities.

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

Sincerely,

/s/

Sean Parnell

Governor

SB 47

SENATE BILL NO. 47 BY THE SENATE 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; and providing for an effective date."

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

Governor's transmittal letter dated January 14:

Dear President Stevens:

Under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill relating to the State's operating budget for Fiscal Year 2012 (FY 2012).

My budget proposal for FY 2012 continues to focus on fostering jobs and economic development. The framework for the budget is based on our constitutional responsibilities for spending – education, public safety, transportation, and responsible resource development.

I am proposing a balanced budget that maintains budget discipline by limiting the growth of State agency budgets, funding statutorily required programs and services, and making strategic investments to promote responsible, sustainable development. With budget discipline, targeted spending, and managing our savings, Alaska's cash reserves and excellent bond rating will provide us with economic opportunities for years to come.

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

Sincerely,

/s/

Sean Parnell
Governor

SB 48

SENATE BILL NO. 48 BY THE SENATE 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.

In accordance with AS 37.14.003(b), a report of the differences between the Governor's proposed budget and the recommendations of the Alaska Mental Health Trust Authority was transmitted.

Governor's transmittal letter dated January 14:

Dear President Stevens:

Under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill relating to the State's comprehensive mental health program for Fiscal Year 2012 (FY 2012). 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 proposed budget.

My budget proposal for FY 2012 continues to focus on fostering jobs and economic development. The framework for the budget is based on our constitutional responsibilities for spending – education, public safety, transportation, and responsible resource development.

I am proposing a balanced budget that maintains budget discipline by limiting the growth of State agency budgets, funding statutorily required programs and services, and making strategic investments to promote responsible, sustainable development. With budget discipline, targeted spending, and managing our savings, Alaska's cash reserves and excellent bond rating will provide us with economic opportunities for years to come.

The proposed mental health budget represents a cooperative effort between State agencies and the Alaska Mental Health Trust Authority. 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 finalize the mental health budget for the upcoming fiscal year.

Sincerely,

/s/

Sean Parnell

Governor

SB 49

SENATE BILL NO. 49 BY THE SENATE RULES COMMITTEE
BY REQUEST OF THE GOVERNOR, entitled:

"An Act relating to the interest rate applicable to certain amounts due for fees, taxes, and payments made and property delivered to the Department of Revenue; relating to the oil and gas production tax rate; relating to monthly installment payments of estimated oil and gas production tax; relating to oil and gas production tax credits for certain expenditures, including qualified capital credits for exploration, development, and production; relating to the limitation on assessment of oil and gas production taxes; relating to the determination of oil and gas production tax values; 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 information was published today:

Fiscal Note No. 1, Department of Revenue

Fiscal Note No. 2, zero, Department of Natural Resources

Governor's transmittal letter dated January 17:

Dear President Stevens:

Oil production in Alaska remains the backbone of our economy. As oil production declines and as the federal government forbids multiple development opportunities we must better incentivize development of

state lands. To that end, under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill to make Alaska more competitive as an oil producing state by proposing amendments to Alaska's oil and gas production tax.

The bill would provide tax incentives and credits for the oil and gas industry to increase exploration for, and development of, Alaska's oil and gas resources at any price range. We must remain focused on getting more oil into the pipeline, and creating jobs for Alaskans.

The bill accomplishes six primary goals: (1) encourages development of new, currently undeveloped leases or properties; (2) encourages investment in exploration, development, and production at all price ranges; (3) strengthens the minimum tax; (4) extends tax incentives to North Slope activities and allows producers to apply tax credits in one year; (5) limits the time for assessment of additional production taxes; and (6) reduces the interest rate on delinquent taxes and refunds. These changes would ensure the State continues to receive reasonable revenue and establish a more competitive investment climate for job creation.

These amendments to Alaska's oil tax regime will foster new production sources to stem the decline in North Slope production. More oil means more jobs for Alaskans, more long-term revenue to the State, and lower Trans-Alaska Pipeline System tariffs per barrel.

I urge your prompt and favorable action on this measure.

Sincerely,

/s/

Sean Parnell
Governor

SB 50

SENATE BILL NO. 50 BY SENATORS DYSON, Menard, entitled:

"An Act relating to the powers and duties of the legislative audit division."

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

SB 51

SENATE BILL NO. 51 BY SENATOR DAVIS, entitled:

"An Act relating to the operation of vending facilities on public property."

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

SB 52

SENATE BILL NO. 52 BY SENATOR DAVIS, entitled:

"An Act requiring health care insurers to provide coverage for treatment of mental health conditions, and requiring parity between health care insurance coverage for mental health, alcoholism, and substance abuse benefits and other medical care benefits; eliminating different treatment for mental health conditions from the minimum benefits of the state health insurance plan; removing an exclusion for mental health services or alcohol or drug abuse from the definition of 'basic health care services' in the law relating to health maintenance organizations; repealing a definition of 'mental health benefits' that excludes treatment of substance abuse or chemical dependency; and providing for an effective date."

was read the first time and referred to the Health and Social Services, Labor and Commerce and Finance Committees.

SB 53

SENATE BILL NO. 53 BY SENATOR DAVIS, entitled:

"An Act reestablishing the Alaska Commission on the Status of Women; and relating to the purpose and powers of the Alaska Human Relations Commission."

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

SB 54

SENATE BILL NO. 54 BY SENATOR DAVIS, entitled:

"An Act establishing a preschool to postsecondary education council in the Department of Education and Early Development; and providing for an effective date."

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

SB 55

SENATE BILL NO. 55 BY SENATOR DAVIS, entitled:

"An Act relating to mental health patient rights, notifications, and grievance procedures."

was read the first time and referred to the Health and Social Services and Finance Committees.

Unfinished Business

Senator Meyer introduced staff of the Senate Secretary's Office:

Kirsten Waid	Senate Secretary
Liz Clark	Deputy Senate Secretary
Martha Hopson	Deputy Senate Secretary
Nancy Schaufelberger	Deputy Senate Secretary
Julianna Singh	Deputy Senate Secretary
Ben Robinson	Deputy Senate Secretary
Gina Spartz	Deputy Senate Secretary

Senator Ellis, Rules Committee Chair, introduced the following Senate staff:

Introduction of Chamber Staff

Zachary Mannix	Sergeant at Arms
Tabitha Williams	Assistant Sergeant at Arms
Beau Poppen-Abajian	Page
Matthew Wilson	Page
Kristin Kranendonk	Page
Joshua White	Page
Monica Southworth	Page
David Ebreo	Page

Senator Huggins moved and asked unanimous consent to be excused from a call of the Senate from afternoon plane time, January 20 through evening plane time, January 23. Without objection, Senator Huggins was excused.

Senator Kookesh moved and asked unanimous consent to be excused from a call of the Senate from morning plane time, January 21 through evening plane time, January 22. Without objection, Senator Kookesh was excused.

Senator Giessel moved and asked unanimous consent to be excused from a call of the Senate from evening plane time, January 20 through plane time, January 24. Without objection, Senator Giessel was excused.

Senator McGuire moved and asked unanimous consent to be excused from a call of the Senate from afternoon plane time, January 20 through plane time, January 24. Without objection, Senator McGuire was excused.

Announcements

Announcements are at the end of the journal.

Recess

Senator Meyer moved and asked unanimous consent that the Senate stand in recess to 6:45 p.m. Without objection, the Senate recessed at 11:47 a.m.

After Recess

The Senate reconvened at 6:47 p.m.

Recess

Senator Meyer moved and asked unanimous consent that the Senate stand in recess to the Joint Session. Without objection, the Senate recessed at 6:48 p.m.

After Recess**Joint Session in the House**

Speaker Chenault called the House to order and in accordance with Uniform Rule 51 turned the gavel over to President Stevens, who called the Joint Session to order at 7:00 p.m.

The purpose of the Joint Session was to hear an address by the Honorable Sean Parnell, Governor.

Senator Meyer moved and asked unanimous consent that the roll call of the Senate be waived and all members be shown as present. Without objection, it was so ordered.

Representative Austerman moved and asked unanimous consent that the roll call of the House be waived and all members be shown as present. Without objection, it was so ordered.

President Stevens appointed Representative Olson and Senator Menard to escort Governor Parnell to the Joint Session.

The Senate Sergeant at Arms, Zachary Mannix, announced Governor Parnell's entrance to the House Chamber.

The Honorable Sean Parnell was escorted to the rostrum and welcomed by President Stevens.

Governor Parnell delivered his address. This address appears in Senate and House Joint Journal Supplement No. 1.

Governor Parnell received a standing ovation and was escorted from the chamber by Senator Menard and Representative Olson.

Senator Meyer moved and asked unanimous consent that the Joint Session stand in adjournment. Without objection, President Stevens adjourned the Joint Session at 7:27 p.m.

After Recess

In the Senate

The Senate reconvened at 7:31 p.m.

Adjournment

Senator Meyer moved and asked unanimous consent that the Senate stand in adjournment until 10:00 a.m., January 21, 2011. Without objection, the Senate adjourned at 7:32 p.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
= indicates bill previously heard/scheduled

TRANSPORTATION

Jan 25	Tuesday	Barnes 124	1:00 PM
+	DOT/PF Overview - Marc Luiken, Commissioner Department of Transportation/Public Facilities		
Jan 27	Thursday	Barnes 124	1:00 PM
+	Alaska State Railroad Overview - Christopher Aadnesen, President and CEO, Alaska State Railroad; Bill O'Leary, Chief Financial Officer, Alaska State Railroad; Tom Brooks, Chief Engineer, Alaska State Railroad		
+	Port of Anchorage - Governor Bill Sheffield, Director, Port of Anchorage		

JOINT COMMITTEES

LEGISLATIVE BUDGET & AUDIT

Jan 20	Thursday	House Finance 519	3:30 PM
+	Agenda: Organizational -- Teleconferenced <Invitation Only> --		

JOINT COMMITTEES (continued)**LEGISLATIVE COUNCIL**

Jan 20 Thursday House Finance 519 10:00 AM
 Election of Chair and Vice-Chair
 Approval of the Agenda
 Approval of Minutes
 Sanctioning of Charitable Events:
 - Thanksgiving in March
 - Fahrenkamp Classic Charity Putting
 Tournament
 2011 Revisor's Bill Approval
 2011 Manual of Legislative Drafting Approval
 Future Topics

SELECT COMMITTEE ON LEGISLATIVE ETHICS

Jan 19 Wednesday Butrovich 205 12:30 PM
 +
 Approval of Agenda
 Welcome New Legislative Members
 Election of Committee Chairs for 2011-2012
 Public Comment
 Chair/Staff Report
 Rules of Procedure - suggested changes
 Marston & Cole - FY11 Legal Counsel Contract
 Budget - FY11 and FY12
 Use of State Resources and Campaigning -
 Informational Only
 2011 Legislation Update
 Other Business

OTHER MEETINGS**JOINT SESSION**

Jan 19 Wednesday House Chamber 7:00 PM
 Annual State of the State by the
 Honorable Sean Parnell, Governor of Alaska

MISCELLANEOUS MEETING

Jan 31	Monday	Senate Finance 532	1:00 PM
	School District Legislative Fly-in Informal Q&A Session Regarding Alaska's Public School System		