

**SENATE JOURNAL**  
**ALASKA STATE LEGISLATURE**  
**TWENTY-EIGHTH LEGISLATURE**

**FIRST SESSION**

**Juneau, Alaska**

**Friday**

**February 22, 2013**

**Thirty-ninth Day**

Pursuant to adjournment the Senate was called to order by President Huggins at 10:00 a.m.

The roll showed eighteen members present. Senators Stedman, Stevens were excused from a call of the Senate.

The prayer was offered by the Chaplain, Pastor Steve Evenson of the Juneau Seventh-day Adventist Church. Senator Hoffman moved and asked unanimous consent that the prayer be spread. Without objection, it was so ordered.

O Heavenly Father,

Once again we have assembled for the business at hand. Once again we stand before you asking for divine guidance in matters of state. This body of individuals, who represent the fair people of this great land, have worked for the betterment of their fellow man.

I pray that those efforts that have been discussed will be a benefit to those who work and play and live in this great state; that what is said and done will be a blessing to the people, who are striving for a better life for themselves and their families.

May your spirit move upon our hearts here today, that this assembly may be effective and efficient in their duties. And now bless the business at hand.

I ask this in the name of Jesus.

Amen.

Senator Bishop led the Senate in the Pledge of Allegiance.

### **Certification**

Senator Coghill moved and asked unanimous consent that the journal for the thirty-eighth legislative day and House and Senate Joint Journal Supplement No. 3 be approved as certified by the Secretary. Without objection, it was so ordered.

### **Communications**

Commemorative Profiles of Senate District G, Senate District H and Senate District I will be published in Senate Journal Supplement No. 3 (page 240).

### **Standing Committee Reports**

#### **SB 7**

The Finance Committee considered SENATE BILL NO. 7 "An Act relating to the computation of the tax on the taxable income of a corporation derived from sources within the state." Signing do pass: Senators Kelly, Meyer, Cochairs; Senators Hoffman, Fairclough, Bishop, Dunleavy. Signing no recommendation: Senator Olson.

The following fiscal information was published today:

Fiscal Note No. 1, Department of Revenue

The bill was referred to the Rules Committee.

#### **SB 12**

The Finance Committee considered SENATE BILL NO. 12 "An Act relating to state and public entity procurement, including the State Procurement Code, procurement preferences, contract awards, the use of small procurement provisions for certain amounts of leased space, the Alaska business license requirement for Alaska bidder and other procurement preferences, the proof of registration of construction contract bidders and offerors, the establishment and maintenance of

lists of persons who want to provide supplies or services to the state, state agencies, and state instrumentalities, electronic bids and proposals, the chief procurement officer, small procurements, and writings; relating to the meaning of 'Alaska bidder'; and providing for an effective date." Signing do pass: Senators Meyer, Kelly, Cochair; Senators Hoffman, Bishop, Dunleavy, Fairclough. Signing no recommendation: Senator Olson.

The following previously published fiscal information applies:  
Fiscal Note No. 1, zero, Department of Administration

The bill was referred to the Rules Committee.

**SB 37**

The Finance Committee considered SENATE BILL NO. 37 "An Act extending the termination date of the Statewide Suicide Prevention Council; and providing for an effective date." Signing do pass: Senators Meyer, Kelly, Cochair; Senators Hoffman, Fairclough, Bishop, Dunleavy, Olson.

The following previously published fiscal information applies:  
Fiscal Note No. 1, Department of Health and Social Services

The bill was referred to the Rules Committee.

**Introduction and Reference of Senate Bills****SB 8**

SPONSOR SUBSTITUTE FOR SENATE BILL NO. 8 BY  
SENATOR EGAN, entitled:

"An Act establishing procedures and guidelines for  
auditing pharmacy records; and providing for an  
effective date."

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

**SB 47**

SPONSOR SUBSTITUTE FOR SENATE BILL NO. 47 BY  
SENATOR COGHILL, entitled:

"An Act relating to boarding schools operated by  
school districts; and providing for an effective date."

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

**SB 62**

SENATE BILL NO. 62 BY SENATOR OLSON, entitled:

"An Act relating to grants for school construction."

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

**SB 63**

SENATE BILL NO. 63 BY SENATOR FAIRCLOUGH, entitled:

"An Act relating to contracts for the preparation of  
election ballots."

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

**Consideration of the Calendar****Citations**

Honoring - Carol Swartz 2012 Governor's Award 2013 Meritorious  
Service Award

Representative(s) Seaton

Senator(s) Micciche, Huggins, Bishop, Coghill, Dunleavy, Dyson,  
Egan, Ellis, Fairclough, French, Gardner, Giessel, Hoffman, Kelly,  
McGuire, Meyer, Olson, Stedman, Stevens, Wielechowski

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

**Unfinished Business**

Senator Wielechowski moved and asked unanimous consent to be excused from a call of the Senate on February 25. Without objection, Senator Wielechowski was excused.

Senator Fairclough moved and asked unanimous consent to be excused from a call of the Senate on March 4 from 10:00 a.m. to 2:00 p.m. Without objection, Senator Fairclough was excused.

Senators Ellis, French moved and asked unanimous consent to be excused from a call of the Senate on February 25, to morning plane time. Without objection, Senators Ellis, French were excused.

Senator Hoffman moved and asked unanimous consent to be excused from a call of the Senate on March 11. Without objection, Senator Hoffman was excused.

**SB 61**

Senator Ellis moved and asked unanimous consent to be shown as a cosponsor on SENATE BILL NO. 61 "An Act relating to the board, loans, records, and lobbying contracts of the Alaska Commercial Fishing and Agriculture Bank; and providing for an effective date." Without objection, it was so ordered.

**HB 67**

Senators Micciche, Wielechowski, Dyson, Kelly, Dunleavy, Ellis, Coghill, McGuire, Gardner, Bishop, Egan, Giessel, Fairclough, Meyer, French moved and asked unanimous consent to be shown as cross sponsors on CS FOR HOUSE BILL NO. 67(MLV) "An Act establishing March 29 of each year as Vietnam Veterans Day; and providing for an effective date." Without objection, it was so ordered.

President Huggins made the following appointments:

**Energy Council****Executive Committee**

Senator Stedman

Senator Giessel

**Full Council**

Senator Dyson  
Senator Stevens  
Senator Olson  
Senator Hoffman  
Senator McGuire  
Senator Micciche  
Senator Dunleavy  
Senator Coghill  
Senator Fairclough  
Senator Gardner  
Senator Ellis  
Senator Huggins

**Announcements**

Announcements are at the end of the journal.

**Adjournment**

Senator Coghill moved and asked unanimous consent that the Senate stand in adjournment until 11:00 a.m., February 25, 2013. Without objection, the Senate adjourned at 10:23 a.m.

Liz Clark  
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

**COMMUNITY & REGIONAL AFFAIRS**

<b>Feb 26</b>	<b>Tuesday</b>	<b>Butrovich 205</b>	<b>3:30 PM</b>
	No Meeting Scheduled		
<b>Feb 28</b>	<b>Thursday</b>	<b>Butrovich 205</b>	<b>3:30 PM</b>
+	Bills Previously Heard/Scheduled		
+ = HB 40	MUNICIPAL TAX EXEMPTION: FARM STRUCTURES		

-----

**EDUCATION**

<b>Feb 22</b>	<b>Friday</b>	<b>Beltz 105 (tsbldg)</b>	<b>8:00 AM</b>
	No Meeting Scheduled		
<b>Feb 25</b>	<b>Monday</b>	<b>Beltz 105 (tsbldg)</b>	<b>8:00 AM</b>
+ SB 41	SCHOOL SPORTS/INTERSCHOLASTIC ACTIVITIES		
<b>Feb 27</b>	<b>Wednesday</b>	<b>Capitol 106</b>	<b>8:00 AM</b>
	-- Location Change --		
+	Joint w/ House Education		
	Presentation: Report on Teacher Preparation, Retention, & Recruitment by Board of Regents, University of Alaska		

**EDUCATION (continued)**

**Mar 01      Friday                      Beltz 105 (tsbldg)              8:00 AM**  
 Discussion: Vouchers  
 #1 - Identifying the Stakeholders & Key Policy Areas  
 Bills Previously Heard/Scheduled  
 -----

**FINANCE**

**Feb 22      Friday                      Senate Finance 532              9:00 AM**  
 + SB 37 EXTEND SUICIDE PREVENTION COUNCIL  
 + SB 17 EXTEND SPECIAL EDUCATION SERVICE AGENCY  
 + Bills Previously Heard/Scheduled:  
 = SB 12 PUBLIC PROCUREMENT  
 = SB 7 CORPORATE INCOME TAX

**Feb 25      Monday                      Senate Finance 532              9:00 AM**  
 + Bills Previously Heard/Scheduled

**Feb 26      Tuesday                      Senate Finance 532              9:00 AM**  
 + SB 27 REGULATION OF DREDGE AND FILL ACTIVITIES  
 + SB 26 LAND DISPOSALS/EXCHANGES; WATER RIGHTS  
 + Bills Previously Heard/Scheduled

**Feb 27      Wednesday                      Senate Finance 532              9:00 AM**  
 + SB 2 INTERSTATE MINING COMPACT & COMMISSION  
 + Bills Previously Heard/Scheduled

**Feb 28      Thursday                      Senate Finance 532              9:00 AM**  
 + SB 23 AIDEA: LNG PROJECT; DIVIDENDS; FINANCING  
 <Pending Referral>  
 + SB 21 OIL AND GAS PRODUCTION TAX  
 <Pending Referral>  
 + Bills Previously Heard/Scheduled

**Mar 01      Friday                      Senate Finance 532              9:00 AM**  
 + Bills Previously Heard/Scheduled  
 -----



**HEALTH & SOCIAL SERVICES**

<b>Feb 22</b>	<b>Friday</b> No Meeting Scheduled	<b>Butrovich 205</b>	<b>1:30 PM</b>
<b>Feb 25</b>	<b>Monday</b> No Meeting Scheduled	<b>Butrovich 205</b>	<b>1:30 PM</b>
<b>Feb 27</b>	<b>Wednesday</b> No Meeting Scheduled	<b>Butrovich 205</b>	<b>1:30 PM</b>
<b>Mar 01</b>	<b>Friday</b> No Meeting Scheduled	<b>Butrovich 205</b>	<b>1:30 PM</b>

-----

**JUDICIARY**

<b>Feb 22</b>	<b>Friday</b>	<b>Beltz 105 (tsbldg)</b>	<b>1:30 PM</b>
+ SB 43	PROPERTY CRIMES		
+ SB 22	CRIMES; VICTIMS; CHILD ABUSE AND NEGLECT		
	-- Public Testimony <Time Limit May be Set> --		
<b>Feb 25</b>	<b>Monday</b>	<b>Beltz 105 (tsbldg)</b>	<b>1:30 PM</b>
+	Confirmation Hearing:		
	Select Committee on Legislative Ethics		
	Antoinette "Toni" Mallott, Juneau		
+ SB 43	PROPERTY CRIMES		
	-- Public Testimony <Time Limit May Be Set> --		
+ SB 22	CRIMES; VICTIMS; CHILD ABUSE AND NEGLECT		
	-- Public Testimony <Time Limit May Be Set> --		
+	Bills Previously Heard/Scheduled		
<b>Feb 27</b>	<b>Wednesday</b>	<b>Beltz 105 (tsbldg)</b>	<b>1:30 PM</b>
+ SB 49	MEDICAID PAYMENT FOR ABORTIONS; TERMS		
	-- Teleconferenced <Invitation Only> --		
+	Bills Previously Heard/Scheduled		
<b>Mar 01</b>	<b>Friday</b>	<b>Beltz 105 (tsbldg)</b>	<b>1:30 PM</b>
+ SB 43	PROPERTY CRIMES		
	-- Public Testimony <Time Limit May Be Set> --		
+ SB 22	CRIMES; VICTIMS; CHILD ABUSE AND NEGLECT		
	-- Public Testimony <Time Limit May Be Set> --		
+	Bills Previously Heard/Scheduled		

-----

**LABOR & COMMERCE**

**Feb 26 Tuesday Beltz 105 (tsbldg) 1:30 PM**  
 + SB 52 PORTABLE ELECTRONICS INSURANCE  
 + SB 55 INSURER'S USE OF CREDIT SCORES  
 + Bills Previously Heard/Scheduled

**Feb 28 Thursday Beltz 105 (tsbldg) 1:30 PM**  
 + HB 26 EXTEND BOARD OF PUBLIC ACCOUNTANCY  
 + SB 4 MILITARY TRAINING CREDIT  
 + Bills Previously Heard/Scheduled

-----

**RESOURCES**

**Feb 22 Friday Butrovich 205 3:30 PM**  
 += SB 21 OIL AND GAS PRODUCTION TAX  
 Consultants  
 -- Testimony <Invitation Only> --  
 Bills Previously Heard/Scheduled

**Feb 25 Monday Butrovich 205 3:30 PM**  
 += SB 21 OIL AND GAS PRODUCTION TAX  
 -- Testimony <Invitation Only> --  
 + Bills Previously Heard/Scheduled  
 -- 5:30 p.m. SB 21 Public Testimony --

**Feb 27 Wednesday Butrovich 205 12:00 PM**  
 + Joint w/ House Resources  
 Mining Industry Overview  
 -- Testimony <Invitation Only> --

**Feb 27 Wednesday Butrovich 205 3:30 PM**  
 += SB 21 OIL AND GAS PRODUCTION TAX  
 Committee Discussion  
 -- Testimony <Invitation Only> --  
 + Bills Previously Heard/Scheduled

**Mar 01 Friday Butrovich 205 3:30 PM**  
 += SB 21 OIL AND GAS PRODUCTION TAX  
 Committee Discussion  
 -- Testimony <Invitation Only> --  
 + Bills Previously Heard/Scheduled

**RESOURCES (continued)**

**Mar 02 Saturday Butrovich 205 10:00 AM**  
 += SB 21 OIL AND GAS PRODUCTION TAX  
 Committee Discussion  
 -- Testimony <Invitation Only> --

-----

**STATE AFFAIRS**

**Feb 26 Tuesday Capitol 106 8:00 AM**  
 -- Time and Location Change --  
 + Joint w/ House State Affairs  
 Federal Overreach: Activities of Departments of  
 Law and Natural Resources  
 - Overview and Presentations by Department Staff  
 on State Activities Related to R.S. 2477:  
 Easements Over Federal Lands and Disputes Over  
 Submerged Lands and Navigable Waters

**Feb 28 Thursday Butrovich 205 9:00 AM**  
 + SB 44 ELECTION PROCEDURES; REAA ADVISORY BOARDS  
 + SB 45 FEE/TAX EXEMPTION FOR CERTAIN VEHICLES

-----

**TRANSPORTATION**

**Feb 26 Tuesday Butrovich 205 1:30 PM**  
 No Meeting Scheduled

**Feb 28 Thursday Barnes 124 1:00 PM**  
 + Joint w/ House Transportation  
 Presentation: North Lynn Canal Ferry Conceptual  
 Design, DOT/PF

**Feb 28 Thursday Butrovich 205 2:15 PM**  
 += HB 15 COMMERCIAL MOTOR VEHICLE REQUIREMENTS

-----

**FINANCE SUBCOMMITTEES****EDUCATION & EARLY DEVELOPMENT**

**Feb 27**      **Wednesday**      **Senate Finance 532**      **3:00 PM**  
 +      Discussion of School Assessments & Improvements  
 Digitizing Education in Alaska Initiative  
 <Above Agenda Item Rescheduled to a Later Date>  
 Pre-K and K-3 Literary  
 Mike Hanley, DEED Commissioner  
 Les Morse, DEED Deputy Commissioner  
 Susan McCauley, Teaching & Learning Support  
 Director  
 Linda Thibodeau, Libraries, Archives & Museums  
 Director

**Feb 28**      **Thursday**      **Senate Finance 532**      **3:00 PM**  
 +      Alaska Performance Scholarship Program  
 Postsecondary Education  
 Mike Hanley, DEED Commissioner  
 Diane Barrans, Alaska Commission on Postsecondary  
 Education, Director

-----

**ENVIRONMENTAL CONSERVATION**

**Feb 26**      **Tuesday**      **Sen Conf Rm 103 Tsb**      **5:00 PM**  
 +      Division of Spill Prevention and Response  
 Larry Dietrick, Director

-----

**FISH & GAME**

**Feb 25**      **Monday**      **Senate Finance 532**      **3:00 PM**  
 Department Budget Overview  
 -- Testimony <Invitation Only> --

**Feb 27**      **Wednesday**      **Senate Finance 532**      **3:00 PM**  
 -- MEETING CANCELED --  
 Department Budget Overview  
 -- Testimony <Invitation Only> --

**FISH & GAME (continued)**

<b>Mar 04</b>	<b>Monday</b> Department Budget Overview -- Testimony <Invitation Only> --	<b>Senate Finance 532</b>  <b>3:00 PM</b>
<b>Mar 06</b>	<b>Wednesday</b> Department Budget Overview -- Testimony <Invitation Only> --	<b>Senate Finance 532</b>  <b>3:00 PM</b>
<b>Mar 11</b>	<b>Monday</b> Department Budget Overview -- Testimony <Invitation Only> --	<b>Senate Finance 532</b>  <b>3:00 PM</b>

-----

**HEALTH & SOCIAL SERVICES**

<b>Feb 28</b>	<b>Thursday</b> -- Location Change -- + Other Issues within the Budget, Question and Answer Session -- Testimony <Invitation Only> --	<b>Fahrenkamp 203</b>  <b>8:00 AM</b>
<b>Mar 14</b>	<b>Thursday</b> -- Location Change -- + Budget Close-out -- Testimony <Invitation Only> --	<b>Fahrenkamp 203</b>  <b>8:00 AM</b>

-----

**PUBLIC SAFETY**

<b>Feb 26</b>	<b>Tuesday</b> + Other Issues within the Budget, Question and Answer Session -- Testimony <Invitation Only> --	<b>Senate Finance 532</b>  <b>3:30 PM</b>
<b>Mar 12</b>	<b>Tuesday</b> + Budget Close-out -- Testimony <Invitation Only> --	<b>Senate Finance 532</b>  <b>3:30 PM</b>

-----

**SPECIAL COMMITTEES****SENATE SPECIAL COMM ON IN-STATE ENERGY**

**Feb 26      Tuesday      Butrovich 205      7:30 AM**  
 No Meeting Scheduled

**Feb 28      Thursday      Butrovich 205      7:30 AM**  
 + Long Term Perspective on Energy Issues by  
 Former Gov. Bill Sheffield and Joe Griffith

-----

**SENATE SPECIAL COMM ON TAPS THROUGHPUT**

**Feb 26      Tuesday      Butrovich 205      3:30 PM**  
 + SB 59 OIL & GAS EXPLORATION/DEVELOPMENT AREAS

**Feb 28      Thursday      Butrovich 205      3:30 PM**  
 No Meeting Scheduled

-----

**JOINT COMMITTEES****ADMINISTRATIVE REGULATION REVIEW**

**Feb 28      Thursday      Barnes 124      8:30 AM**  
 Presentation: Impact of Federal Actions on Alaska  
 Administrative Regulations, by Sam Batkins  
 American Action Forum  
 -- Testimony <Invitation Only> --

-----

**LEGISLATIVE BUDGET & AUDIT**

**Feb 22      Friday      House Finance 519      8:00 AM**  
 Audits - EXECUTIVE SESSION  
 - State of Alaska Single Audit for FY12  
 - DOT/PF Knik Arm Bridge & Toll Authority  
 + Other Committee Business  
 - Alaska Statewide System for Employee Time  
 (ASSET) Audit Update  
 - Consideration of Audit Request

-----

**LEGISLATIVE COUNCIL**

**Feb 26      Tuesday                      Senate Finance 532              4:30 PM**  
 -- Teleconference <Listen Only> --  
 Ratification of Charity Events  
 Contract Approvals  
 Other Committee Business  
 -----

**SELECT COMMITTEE ON LEGISLATIVE ETHICS**

**Feb 26      Tuesday                      Beltz 105 (tsbldg)              9:00 AM**  
 + FULL COMMITTEE  
 Public Comment  
 Chair/Staff Report  
 Budget: FY13 & FY14  
 Office Allowance Funds  
 Disclosure Waiver  
 Board of an Organization  
 Procedure to Address Recommendations for Changes  
 to AS 24.60  
 2013 Legislation Update

**Feb 26      Tuesday                      Sen Conf Rm 103 Tsb              1:00 PM**  
 + JOINT HOUSE AND SENATE SUBCOMMITTEE  
 Public Comment  
 Executive Session  
 Public Session  
 -----

**OTHER MEETINGS****JOINT SESSION**

**Mar 04      Monday                      House Chamber              11:00 AM**  
 Annual Address by the Honorable  
 Mark Begich, U.S. Senator