

HOUSE JOURNAL
ALASKA STATE LEGISLATURE
TWENTY-NINTH LEGISLATURE
SECOND SESSION

Juneau, Alaska

Monday

February 8, 2016

Twenty-first Day

Pursuant to adjournment the House was called to order by Speaker Chenault at 11:15 a.m.

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

The invocation was offered by the Chaplain, the Reverend Dr. Phil Campbell of Northern Light United Church. Representative Gruenberg moved and asked unanimous consent that the invocation be spread on the journal. There being no objection, it was so ordered.

Gracious Creator of all that is, make your presence known to those gathered in the chamber this day. Keep them mindful of the great purposes of justice and equity. Grant them attentiveness in listening and clarity in communication that their discussions and deliberations will bear the fruits of wisdom and compassion. Bring to their awareness the needs of all the people in this great state that they might serve them with insight and integrity, seeking, in all things, the common good. In the name of all that is holy, I pray. Amen.

The Pledge of Allegiance was led by Representative Guttenberg.

CERTIFICATION OF THE JOURNAL

Representative Millett moved and asked unanimous consent that the journal for the 18th, 19th, and 20th legislative days be approved as certified by the Chief Clerk. There being no objection, it was so ordered.

* * * * *

Representative Stutes introduced Grace Neff, Guest Page, from Kodiak.

COMMUNICATIONS

The following were received:

Alaska Housing Finance Corporation
2015 Annual Report
Available at: <http://reporttoalaskans2015.us/>
(as required by AS 18.56.200)

Alaska Seafood Marketing Institute
2015 Annual Report
Available at:
http://ebooks.alaskaseafood.org/ASMI_Annual_Report_2015/
(as required by AS 16.51.100)

INTRODUCTION OF CITATIONS

The following citations were introduced and referred to the Rules Committee for placement on the calendar:

Honoring - Joe Griffith
By Representative Millett; Senator Costello

Honoring - Fire Chief Warren B. Cummings
By Representative Thompson

Honoring - AWARE's 2016 Women of Distinction
By Representatives Kito, Munoz; Senator Egan

Honoring - Dimond High School Lynx, 2015 Girls Volleyball 4A State Champions
By Senator Costello

Honoring - Dimond High School Lynx, 2015 Boys Swimming and Diving State Champions
By Senator Costello; Representative Vazquez

Honoring - Dimond High School Lynx, 2015 Girls Swimming and Diving State Champions
By Senator Costello; Representative Vazquez

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

HCR 23

HOUSE CONCURRENT RESOLUTION NO. 23 by the House Rules Committee:

Suspending Rule 23(a), Uniform Rules of the Alaska State Legislature, relating to measures in possession of standing committees and special committees of the Alaska House of Representatives, and Rules 20, 21(c), and 24(a), Uniform Rules of the Alaska State Legislature, restricting committee meetings of the Alaska House of Representatives to measures that substantially relate to and have as their primary purpose appropriating, raising, or allocating state revenue, until the Alaska House of Representatives passes a state operating budget.

was read the first time and taken up later as a Special Order of Business.

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

HB 303

HOUSE BILL NO. 303 by Representative Millett, entitled:

"An Act relating to the Alaska Permanent Fund Corporation, the earnings of the Alaska permanent fund, and the earnings reserve

account; relating to the mental health trust fund; relating to deposits into the dividend fund; and providing for an effective date."

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

HB 304

HOUSE BILL NO. 304 by the House Rules Committee by request of the Governor, entitled:

"An Act requiring the electronic submission of a tax return or report with the Department of Revenue; relating to the taxes on cigarettes and tobacco products; taxing electronic smoking products; adding a definition of 'electronic smoking product'; and providing for an effective date."

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

The following fiscal note(s) apply:

1. Fiscal, Dept. of Revenue

The Governor's transmittal letter dated February 5, 2016, follows:

"Dear Speaker Chenault:

Under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill relating to the taxes on cigarettes and tobacco products; and taxing electronic smoking devices.

Smoking technology has advanced beyond single use paper-rolled cigarettes to include multiple use electronic smoking devices. Therefore, our tobacco tax statutes (AS 43.50 Cigarette Tax Act) should be revised to include this new smoking device as taxable.

To further update our outdated tobacco tax structure, I propose to amend the additional tax levy on cigarettes – which has not been raised since 2007 – from 62 mills to 112 mills. I also propose increasing the tax rate on tobacco products (other than cigarettes) from

75 percent of the wholesale price to 100 percent of the wholesale price. These reasonable adjustments will bring our tax structure up to date and are expected to generate additional revenue of approximately \$29,000,000 annually.

To increase administrative efficiency for the Department of Revenue and state taxpayers, the bill would require the electronic submission of tax returns with an exemption available upon request.

The bill is an integral component of the New Sustainable Alaska Plan to provide a balanced and sustainable budget for Alaska's long-term fiscal stability.

I urge your prompt and favorable action on this measure.

Sincerely,

/s/

Bill Walker
Governor"

HB 305

HOUSE BILL NO. 305 by Representative Gattis, entitled:

"An Act relating to yoga training programs; and relating to an exemption from the regulation of postsecondary educational institutions."

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

CONSIDERATION OF THE DAILY CALENDAR

LEGISLATIVE CITATIONS

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

Honoring - Rebecca Carrillo

By Representatives Munoz, Kito, Chenault, Claman, Colver, Drummond, Edgmon, Foster, Gara, Gattis, Gruenberg, Guttenberg,

Hawker, Herron, Hughes, Johnson, Josephson, Kawasaki, Keller, Kreiss-Tomkins, LeDoux, Lynn, Millett, Nageak, Neuman, Olson, Ortiz, Pruitt, Saddler, Seaton, Stutes, Talerico, Tarr, Thompson, Tilton, Tuck, Vazquez, Wilson, Wool; Senator Egan

Honoring - Fred John

By Representatives Ortiz, Chenault, Claman, Colver, Drummond, Edgmon, Foster, Gara, Gattis, Gruenberg, Guttenberg, Hawker, Herron, Hughes, Johnson, Josephson, Kawasaki, Keller, Kito, Kreiss-Tomkins, LeDoux, Lynn, Millett, Munoz, Nageak, Neuman, Olson, Pruitt, Saddler, Seaton, Stutes, Talerico, Tarr, Thompson, Tilton, Tuck, Vazquez, Wilson, Wool; Senator Stedman

UNFINISHED BUSINESS

Representative Millett 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 Hughes – from 8:30 a.m., February 11 to 10:00 a.m., February 12

Representative LeDoux – from 12:30 p.m., February 12 to 10:30 p.m., February 15

Representative Herron – from noon, February 12 to 1:00 p.m., February 16

Representative Colver – from 1:00 p.m., February 12 to 10:00 p.m., February 14

ANNOUNCEMENTS

The following meetings today were changed:

Judiciary Committee
HJR 19 bill hearing CANCELED

Resources Committee

CANCELED

SPECIAL ORDER OF BUSINESS**HCR 23**

Representative Millett moved and asked unanimous consent that the following be taken up as a Special Order of Business:

HOUSE CONCURRENT RESOLUTION NO. 23

Suspending Rule 23(a), Uniform Rules of the Alaska State Legislature, relating to measures in possession of standing committees and special committees of the Alaska House of Representatives, and Rules 20, 21(c), and 24(a), Uniform Rules of the Alaska State Legislature, restricting committee meetings of the Alaska House of Representatives to measures that substantially relate to and have as their primary purpose appropriating, raising, or allocating state revenue, until the Alaska House of Representatives passes a state operating budget.

There being no objection, it was so ordered.

The Speaker stated that, without objection, the House would recess until 12:30 p.m.; and so, the House recessed at 11:45 a.m.

AFTER RECESS

The Speaker called the House back to order at 1:19 p.m.

SPECIAL ORDER OF BUSINESS

(continued)

HCR 23

HCR 23 was before the House as a special order of business.

Amendment No. 1 was offered by Representatives Johnson, Gruenberg, Neuman, and Thompson:

Page 1, line 7, following "**state operating budget**" (title amendment):
Insert "**to the Alaska Senate**"

Page 1, line 13, following "a state operating budget":
Insert "to the Alaska Senate"

Page 2, line 8, following "a state operating budget":
Insert "to the Alaska Senate"

Representative Gruenberg moved and asked unanimous consent that Amendment No. 1 be adopted. There being no objection, it was so ordered, and the new title follows:

HOUSE CONCURRENT RESOLUTION NO. 23 am

Suspending Rule 23(a), Uniform Rules of the Alaska State Legislature, relating to measures in possession of standing committees and special committees of the Alaska House of Representatives, and Rules 20, 21(c), and 24(a), Uniform Rules of the Alaska State Legislature, restricting committee meetings of the Alaska House of Representatives to measures that substantially relate to and have as their primary purpose appropriating, raising, or allocating state revenue, until the Alaska House of Representatives passes a state operating budget to the Alaska Senate.

Amendment No. 2 was offered by Representatives Tuck and Chenault:

Page 2, line 4, following "and the":
Insert "Speaker of the"

Representative Tuck moved and asked unanimous consent that Amendment No. 2 be adopted. There being no objection, it was so ordered.

The question being: "Shall HCR 23 am pass the House?" The roll was taken with the following result:

HCR 23 am
Special Order of Business

YEAS: 38 NAYS: 1 EXCUSED: 1 ABSENT: 0

Yeas: Chenault, Claman, Colver, Drummond, Edgmon, Gara, Gattis, Gruenberg, Guttenberg, Hawker, Herron, Hughes, Johnson, Kawasaki, Keller, Kito, Kreiss-Tomkins, LeDoux, Lynn, Millett, Munoz,

Nageak, Neuman, Olson, Ortiz, Pruitt, Reinbold, Saddler, Seaton, Stutes, Talerico, Tarr, Thompson, Tilton, Tuck, Vazquez, Wilson, Wool

Nays: Josephson

Excused: Foster

And so, HCR 23 am passed the House and was referred to the Chief Clerk for engrossment.

ENGROSSMENT

HCR 23

HCR 23 am was engrossed, signed by the Speaker and Chief Clerk, and transmitted to the Senate for consideration.

ANNOUNCEMENTS

House committee schedules are published under separate cover.

The following meetings today were changed:

Finance Committee

CHANGED TO: 15 minutes after adjournment

Judiciary Committee

CHANGED TO: 20 minutes after adjournment

ADJOURNMENT

Representative Millett moved and asked unanimous consent that the House adjourn until 10:30 a.m., February 10, 2016. There being no objection, the House adjourned at 2:13 p.m.

Crystaline Jones
Chief Clerk