

HOUSE JOURNAL
ALASKA STATE LEGISLATURE
THIRTIETH LEGISLATURE
SECOND SESSION

Juneau, Alaska

Thursday

May 3, 2018

One Hundred Eighth Day

Pursuant to adjournment the House was called to order by Speaker Edgmon at 10:44 a.m.

Roll call showed 36 members present. Representatives Chenault and Thompson had been excused from a call of the House today. Representatives Kreiss-Tomkins and Seaton were absent and their presence was noted later.

Representative Tuck moved and asked unanimous consent that Representative Thompson's excused absence (page 3473) be extended through 9:30 p.m., today. There being no objection, it was so ordered.

The invocation was offered by the Chaplain, Representative Tilton. Representative Ortiz 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 Alaskans, I offer the following prayer:

Heavenly Father, we come before you as grateful citizens of a state we are proud to call home, but also as humble people of faith who simply yet sincerely confess as Americans, *In God we Trust!*

We come to you today seeking vision, wisdom, and discernment that only you can bestow, a reclaiming of the

honor and nobility of public service and a sensitivity to those in need. *Let justice run down as water and righteousness as a mighty stream. (Amos 5:24)*

We pray to be more like you, Lord, gracious and merciful, slow to anger and abounding in steadfast love. You never summon us, Lord, to a duty without supplying us with the grace to do it. That blessed assurance consoles us.

On this 3rd day of May, 2018, Lord, the National Day of Prayer, we are encouraged as a body to pray as scripture tells us: *I urge, then first of all, that petitions, prayers, intercession and thanksgiving be made for all people – for kings and all those in authority, that we may live peaceful and quiet lives in all godliness and holiness. (1 Timothy 2)*

God of power and might, wisdom and justice, through you authority is rightly administered, laws are enacted, and judgement is decreed. Assist with your spirit of counsel and fortitude the members of this body and all the elected and appointed officials of the State of Alaska and this Nation. May we always seek the ways of righteousness, justice, and mercy. God grant that we may be enabled by your powerful protection to lead our state with honesty and integrity.

We pray these things with thanksgiving that all the praise, the honor and the glory be to you, Lord. We pray in the name of your son, Jesus Christ. Amen.

The Pledge of Allegiance was led by Representative LeDoux.

CERTIFICATION OF THE JOURNAL

Representative Tuck moved and asked unanimous consent that the journal for the 107th legislative day be approved as certified by the Chief Clerk. There being no objection, it was so ordered.

MESSAGES FROM THE SENATE

HB 20

A message dated May 2 was read stating the Senate passed:

CS FOR HOUSE BILL NO. 20(JUD)

"An Act relating to marriage solemnization; and authorizing elected public officials in the state to solemnize marriages."

CSHB 20(JUD) was referred to the Chief Clerk for enrollment.

HB 278

A message dated May 2 was read stating the Senate passed:

HOUSE BILL NO. 278

"An Act extending the termination date of the Board of Certified Real Estate Appraisers; and providing for an effective date."

HB 278 was referred to the Chief Clerk for enrollment.

HB 354

A message dated May 2 was read stating the Senate passed:

HOUSE BILL NO. 354

"An Act relating to dive fishery management assessment procedures."

HB 354 was referred to the Chief Clerk for enrollment.

HB 3

A message dated May 2 was read stating the Senate passed CSHB 3(MLV) with the following amendment, and it is transmitted for consideration:

SENATE CS FOR CS FOR HOUSE BILL NO. 3(STA)

"An Act relating to the employment rights of employees in the state who are members of the National Guard of another state, territory, or district of the United States."

CSHB 3(MLV) is under Unfinished Business.

SB 92

A message dated May 2 was read stating the Senate concurred in the House amendment to CSSB 92(FIN) am, thus adopting:

HOUSE CS FOR CS FOR SENATE BILL NO. 92(FIN)

"An Act relating to abandoned and derelict vessels; relating to the registration of vessels; relating to certificates of title for vessels; relating to the duties of the Department of Administration; relating to the duties of the Department of Natural Resources; establishing the derelict vessel prevention program; establishing the derelict vessel prevention program fund; relating to the authority of certain persons to enforce laws relating to derelict vessels; and providing for an effective date."

SB 26

A message dated May 2 was read stating the President granted limited powers of free conference to the Senate members of the Conference Committee considering:

HOUSE CS FOR CS FOR SENATE BILL NO. 26(FIN)(efd fld H)

"An Act relating to an appropriation limit; relating to the budget responsibilities of the governor; relating to the Alaska permanent fund, 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 relating to the calculation and payment of permanent fund dividends."

and

CS FOR SENATE BILL NO. 26(FIN)

"An Act relating to an appropriation limit; relating to the budget responsibilities of the governor; relating to the Alaska permanent fund, 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; relating to the calculation and payment of permanent fund dividends; and providing for an effective date."

(technical title change)

The Speaker granted the limited powers of free conference as requested (page 3538).

A message dated May 2 was read stating the President appointed Senator Micciche as alternate to the Conference Committee considering SB 26.

REPORTS OF STANDING COMMITTEES

HB 408

The State Affairs Committee considered:

HOUSE BILL NO. 408

"An Act relating to revocation of a driver's license."

and recommends it be replaced with:

CS FOR HOUSE BILL NO. 408(STA)
(same title)

The report was signed by Representative Wool, Acting Chair, with the following individual recommendations:

Do pass (3): Tuck, LeDoux, Wool

No recommendation (2): Birch, Knopp

The following fiscal note(s) apply to CSHB 408(STA):

1. Zero, Dept. of Administration

HB 408 was referred to the Judiciary Committee.

INTRODUCTION, FIRST READING, AND REFERENCE OF HOUSE RESOLUTIONS

HR 9

HOUSE RESOLUTION NO. 9 by the House Rules Committee:

Encouraging the United States Congress to pass legislation giving full military burial rights to Hmong veterans of the Vietnam War.

was read the first time and is on today's calendar.

**The presence of Representative Seaton was noted.

CONSIDERATION OF THE DAILY CALENDAR

SECOND READING OF HOUSE BILLS

HB 331

The following, which was held to today's calendar (page 3540), was read the second time:

HOUSE BILL NO. 331

"An Act establishing the Alaska Tax Credit Certificate Bond Corporation; relating to purchases of tax credit certificates; relating to overriding royalty interest agreements; and providing for an effective date."

with the:

Journal Page

RES RPT 4DP 1DNP 2NR 2AM	3157
FN1: ZERO(DNR)	3158
FN2: (REV)	3158
FIN RPT CS(FIN) NT 4DP 1DNP 4NR 2AM	3537
FN1: ZERO(DNR)	3538
FN3: (REV)	3538
FN4: (REV)	3538
FN5: (REV/DEBT SERVICE)	3538

Representative Tuck moved and asked unanimous consent that the following committee substitute be adopted in lieu of the original bill:

CS FOR HOUSE BILL NO. 331(FIN)

"An Act establishing the Alaska Tax Credit Certificate Bond Corporation; relating to the issuance of bonds by the Alaska Tax Credit Certificate Bond Corporation; relating to purchases of tax credit certificates and refunds and payments of tax credits; relating to the oil and gas tax credit fund; relating to overriding royalty interest agreements; providing for an effective date by repealing the effective date of secs. 2, 5, 8, 10, 31, 37, and 40, ch. 3, SSSLA 2017; and providing for an effective date."

There being no objection, it was so ordered.

**The presence of Representative Kreiss-Tomkins was noted.

Amendment No. 1 was offered by Representative Kawasaki:

Page 2, line 21, following "bonds.":

Insert "The corporation may issue bonds under this section only if it makes a finding that, both before and after the issuance of the bonds, the state bond rating will be the equivalent of AA- or better."

Page 7, line 12, following "inhabitants":

Insert "and the state bond rating, both before and after the issuance of refunding bonds, will be the equivalent of AA- or better"

Representative Kawasaki moved and asked unanimous consent that Amendment No. 1 be adopted.

Representative Seaton objected.

The question being: "Shall Amendment No. 1 be adopted?" The roll was taken with the following result:

CSHB 331(FIN)

Second Reading

Amendment No. 1

YEAS: 10 NAYS: 28 EXCUSED: 2 ABSENT: 0

Yeas: Drummond, Eastman, Kawasaki, LeDoux, Neuman, Ortiz, Parish, Spohnholz, Tarr, Tuck

Nays: Birch, Claman, Edgmon, Foster, Gara, Grenn, Guttenberg, Johnson, Johnston, Josephson, Kito, Knopp, Kopp, Kreiss-Tomkins, Lincoln, Millett, Pruitt, Rauscher, Reinbold, Saddler, Seaton, Stutes, Sullivan-Leonard, Talerico, Tilton, Wilson, Wool, Zulkosky

Excused: Chenault, Thompson

And so, Amendment No. 1 was not adopted.

Amendment No. 2 was offered by Representative Kawasaki:

Page 20, following line 24:

Insert a new bill section to read:

**** Sec. 16.** The uncodified law of the State of Alaska is amended by adding a new section to read:

CONDITIONAL EFFECT; NOTIFICATION. (a) Sections 1 - 14 and 17 of this Act take effect only if, before January 1, 2020, a court enters a final judgment that the issuance of bonds under AS 37.18, added by sec. 2 of this Act, does not violate the restrictions on contracting debt under art. IX, Constitution of the State of Alaska.

(b) The commissioner of revenue shall notify the revisor of statutes in writing if a court enters a final judgment that the issuance of bonds under AS 37.18, added by sec. 2 of this Act, does not violate the restrictions on contracting debt under art. IX, Constitution of the State of Alaska."

Renumber the following bill sections accordingly.

Page 20, following line 25:

Insert a new bill section to read:

**** Sec. 18.** If, under sec. 16 of this Act, secs. 1 - 14 and 17 of this Act take effect, they take effect on the day after the date of notification under sec. 16(b) of this Act."

Renumber the following bill section accordingly.

Page 20, line 26:

Delete "This"

Insert "Except as provided in sec. 18 of this Act, this"

Representative Kawasaki moved and asked unanimous consent that Amendment No. 2 be adopted.

Representative Seaton objected.

Representative Kito rose to a point of order regarding keeping comments to the amendment and not discussing the provisions of the bill.

The Speaker stated that the point was well taken.

The question being: "Shall Amendment No. 2 be adopted?" The roll was taken with the following result:

CSHB 331(FIN)
Second Reading
Amendment No. 2

YEAS: 7 NAYS: 31 EXCUSED: 2 ABSENT: 0

Yeas: Eastman, Kawasaki, LeDoux, Neuman, Parish, Tarr, Tuck

Nays: Birch, Claman, Drummond, Edgmon, Foster, Gara, Grenn, Guttenberg, Johnson, Johnston, Josephson, Kito, Knopp, Kopp, Kreiss-Tomkins, Lincoln, Millett, Ortiz, Pruitt, Rauscher, Reinbold, Saddler, Seaton, Spohnholz, Stutes, Sullivan-Leonard, Talerico, Tilton, Wilson, Wool, Zulkosky

Excused: Chenault, Thompson

And so, Amendment No. 2 was not adopted.

Amendment No. 3 was offered by Representative Kawasaki:

Page 1, line 4, following "**agreements;**" (title amendment):

Insert "**authorizing an advisory vote on the issuance of bonds that is contingent on the findings of the state bond committee;**"

Page 3, line 2:

Delete "and ratification by qualified voters of the state"

Page 7, line 14:

Delete "or ratified by qualified voters of the state"

Page 19, line 22:

Delete "NOTICE"

Insert "ISSUANCE OF BONDS AND OUTSTANDING APPLICATIONS; NOTIFICATION"

Page 20, following line 12:

Insert new bill sections to read:

"* **Sec. 15.** The uncodified law of the State of Alaska is amended by

adding a new section to read:

DETERMINATION ON BONDS; NOTIFICATION TO REVISOR OF STATUTES. (a) Within 90 days after the effective date of this section, the state bond committee, established under AS 37.15.110, shall determine whether the failure of the legislature to appropriate, at any time, the amount necessary for the required debt service reserve for bonds issued under AS 37.18, added by sec. 2 of this Act, would

- (1) likely impair the credit rating of the state; or
- (2) not likely impair the credit rating of the state.

(b) The commissioner of commerce, community, and economic development, as chair of the state bond committee, shall notify the revisor of statutes within one day after the committee's determination under (a)(1) or (2) of this section.

* **Sec. 16.** The uncodified law of the State of Alaska is amended by adding a new section to read:

ADVISORY VOTE. At the next statewide election, the lieutenant governor shall place before the qualified voters of the state a question advisory to the legislature and the governor. The question shall appear on the ballot in the following form:

Q U E S T I O N

Do you approve of the issuance of bonds to finance purchases and payments under AS 43.55.028 of oil and gas transferable tax credit certificates issued under AS 43.55.023, production tax credit certificates issued under AS 43.55.025, and payments and refunds claimed under AS 43.20.046, 43.20.047, or 43.20.053?

Yes [] No []"

ReNUMBER the following bill sections accordingly.

Page 20, following line 24:

Insert a new bill section to read:

"* **Sec. 18.** The uncodified law of the State of Alaska is amended by adding a new section to read:

CONDITIONAL EFFECT. (a) Sections 1 - 14 and 19 of this Act take effect only if the commissioner of commerce, community, and economic development, as chair of the state bond committee, notifies

the revisor of statutes under sec. 15 of this Act.

(b) Section 16 of this Act takes effect only if the commissioner of commerce, community, and economic development, as chair of the state bond committee, notifies the revisor of statutes under sec. 15(a)(1) of this Act that the committee determined that failure of the legislature to appropriate, at any time, the amount necessary for the required debt service reserve for bonds issued under AS 37.18, added by sec. 2 of this Act, would likely impair the credit rating of the state."

Renumber the following bill sections accordingly.

Page 20, following line 25:

Insert new bill sections to read:

*** Sec. 20.** If, under sec. 18(b) of this Act, sec. 16 of this Act takes effect, it takes effect on the day after the date the commissioner of commerce, community, and economic development, as chair of the state bond committee, notifies the revisor of statutes under secs. 15 and 18(b) of this Act.

*** Sec. 21.** If, under sec. 18(a) of this Act, secs. 1 - 14 and 19 of this Act take effect, they take effect on the

(1) day after the date the commissioner of commerce, community, and economic development, as chair of the state bond committee, notifies the revisor of statutes that the committee determined under sec. 15(a)(2) of this Act that failure of the legislature to appropriate the amount necessary would not likely impair the credit rating of the state; or

(2) 90th day of the regular legislative session that begins immediately following the statewide election in which the advisory vote provided for under sec. 16 of this Act takes place."

Renumber the following bill section accordingly.

Page 20, line 26:

Delete "This"

Insert "Except as provided in secs. 20 and 21 of this Act, this"

Representative Kawasaki moved and asked unanimous consent that Amendment No. 3 be adopted.

Representative Seaton objected.

The question being: "Shall Amendment No. 3 be adopted?" The roll was taken with the following result:

CSHB 331(FIN)
Second Reading
Amendment No. 3

YEAS: 10 NAYS: 28 EXCUSED: 2 ABSENT: 0

Yeas: Drummond, Eastman, Kawasaki, LeDoux, Neuman, Ortiz, Parish, Spohnholz, Stutes, Tuck

Nays: Birch, Claman, Edgmon, Foster, Gara, Grenn, Guttenberg, Johnson, Johnston, Josephson, Kito, Knopp, Kopp, Kreiss-Tomkins, Lincoln, Millett, Pruitt, Rauscher, Reinbold, Saddler, Seaton, Sullivan-Leonard, Talerico, Tarr, Tilton, Wilson, Wool, Zulkosky

Excused: Chenault, Thompson

And so, Amendment No. 3 was not adopted.

Representative Tuck moved and asked unanimous consent that CSHB 331(FIN) be considered engrossed, advanced to third reading, and placed on final passage.

Representative Eastman objected.

The question being: "Shall CSHB 331(FIN) advance to third reading on the same day?" The roll was taken with the following result:

CSHB 331(FIN)
Second Reading
Advance to Third Reading on the Same Day

YEAS: 33 NAYS: 5 EXCUSED: 2 ABSENT: 0

Yeas: Birch, Claman, Drummond, Edgmon, Foster, Gara, Grenn, Guttenberg, Johnson, Johnston, Josephson, Knopp, Kopp, Kreiss-Tomkins, LeDoux, Lincoln, Millett, Neuman, Ortiz, Pruitt, Rauscher, Reinbold, Saddler, Seaton, Spohnholz, Stutes, Sullivan-Leonard, Talerico, Tarr, Tilton, Wilson, Wool, Zulkosky

Nays: Eastman, Kawasaki, Kito, Parish, Tuck

Excused: Chenault, Thompson

And so, the motion passed.

CSHB 331(FIN) was read the third time.

Representative Lincoln moved and asked unanimous consent to abstain from voting because of a conflict of interest. Objection was heard, and he was required to vote.

The Speaker stated that many members may have a perceived conflict of interest and ruled that all members were required to vote.

The Speaker stated that, without objection, the House would recess to a call of the Chair; and so, the House recessed at 1:14 p.m.

AFTER RECESS

The Speaker called the House back to order at 2:55 p.m.

SECOND READING OF HOUSE BILLS

(continued)

HB 331

CSHB 331(FIN) was before the House in third reading.

Representative Claman rose to a point of order regarding confining comments to the bill.

The Speaker cautioned the member to confine remarks to the bill.

The question being: "Shall CSHB 331(FIN) pass the House?" The roll was taken with the following result:

CSHB 331(FIN)

Third Reading

Final Passage

YEAS: 22 NAYS: 16 EXCUSED: 2 ABSENT: 0

Yeas: Birch, Claman, Grenn, Johnson, Johnston, Josephson, Knopp, Kopp, Lincoln, Millett, Ortiz, Pruitt, Rauscher, Reinbold, Saddler, Seaton, Spohnholz, Sullivan-Leonard, Talerico, Tilton, Wilson, Wool

Nays: Drummond, Eastman, Edgmon, Foster, Gara, Guttenberg, Kawasaki, Kito, Kreiss-Tomkins, LeDoux, Neuman, Parish, Stutes, Tarr, Tuck, Zulkosky

Excused: Chenault, Thompson

And so, CSHB 331(FIN) passed the House.

Representative Tuck moved the effective date clause.

The question being: "Shall the effective date clause be adopted?" The roll was taken with the following result:

CSHB 331(FIN)

Third Reading

Effective Date

YEAS: 34 NAYS: 4 EXCUSED: 2 ABSENT: 0

Yeas: Birch, Claman, Drummond, Eastman, Edgmon, Foster, Gara, Grenn, Guttenberg, Johnson, Johnston, Josephson, Kawasaki, Knopp, Kopp, Kreiss-Tomkins, Lincoln, Millett, Neuman, Ortiz, Pruitt, Rauscher, Reinbold, Saddler, Seaton, Spohnholz, Stutes, Sullivan-Leonard, Talerico, Tilton, Tuck, Wilson, Wool, Zulkosky

Nays: Kito, LeDoux, Parish, Tarr

Excused: Chenault, Thompson

And so, the effective date clause was adopted.

Representative Seaton gave notice of reconsideration of the vote on CSHB 331(FIN).

RECONSIDERATION

HB 331

Representative Seaton moved and asked unanimous consent that reconsideration of CSHB 331(FIN) be taken up on the same day. There being no objection, it was so ordered.

Representative Seaton placed a call of the House.

The Speaker stated the call was satisfied.

CSHB 331(FIN) was before the House in third reading.

The question to be reconsidered: "Shall CSHB 331(FIN) pass the House?" The roll was taken with the following result:

CSHB 331(FIN)

Third Reading

Final Passage

Reconsideration

YEAS: 23 NAYS: 15 EXCUSED: 2 ABSENT: 0

Yeas: Birch, Claman, Edgmon, Grenn, Johnson, Johnston, Josephson, Knopp, Kopp, Lincoln, Millett, Ortiz, Pruitt, Rauscher, Reinbold, Saddler, Seaton, Spohnholz, Sullivan-Leonard, Talerico, Tilton, Wilson, Wool

Nays: Drummond, Eastman, Foster, Gara, Guttenberg, Kawasaki, Kito, Kreiss-Tomkins, LeDoux, Neuman, Parish, Stutes, Tarr, Tuck, Zulkosky

Excused: Chenault, Thompson

And so, CSHB 331(FIN) passed the House on reconsideration.

Representative Tuck moved the effective date clause.

The question being: "Shall the effective date clause be adopted?" The roll was taken with the following result:

CSHB 331(FIN)

Third Reading

Effective Date

Reconsideration

YEAS: 34 NAYS: 4 EXCUSED: 2 ABSENT: 0

Yeas: Birch, Claman, Drummond, Eastman, Edgmon, Foster, Gara, Grenn, Guttenberg, Johnson, Johnston, Josephson, Kawasaki, Knopp, Kopp, Kreiss-Tomkins, Lincoln, Millett, Neuman, Ortiz, Pruitt,

Rauscher, Reinbold, Saddler, Seaton, Spohnholz, Stutes, Sullivan-Leonard, Talerico, Tilton, Tuck, Wilson, Wool, Zulkosky

Nays: Kito, LeDoux, Parish, Tarr

Excused: Chenault, Thompson

And so, the effective date clause was adopted.

CSHB 331(FIN) was referred to the Chief Clerk for engrossment.

The House adjourned.

THIRD READING OF SENATE BILLS

SB 107

The following, which was advanced to third reading from the May 2 calendar (page 3540), was not taken up this legislative day and will be on tomorrow's calendar:

SENATE BILL NO. 107

"An Act relating to the Alaska capital income fund."

SB 169

The following, which was advanced to third reading from the May 2 calendar (page 3541), was not taken up this legislative day and will be on tomorrow's calendar:

CS FOR SENATE BILL NO. 169(RLS)

"An Act relating to the definition of 'direct supervision' for purposes of medical assistance coverage of behavioral health clinic services."

SECOND READING OF HOUSE RESOLUTIONS

HR 8

The following, which was held from the May 2 calendar (page 3542), was not taken up this legislative day and will be on tomorrow's calendar:

HOUSE RESOLUTION NO. 8

Requesting the National Oceanic and Atmospheric Administration to locate its Alaska-focused employees, programs, and assets in the state.

HR 9

The following was not taken up this legislative day and will be on tomorrow's calendar:

HOUSE RESOLUTION NO. 9

Encouraging the United States Congress to pass legislation giving full military burial rights to Hmong veterans of the Vietnam War.

LEGISLATIVE CITATIONS

The following citation was not taken up today and will be on tomorrow's calendar:

Honoring - Bruce J. Hanson

By Senator Coghill; Representatives Wilson, Edgmon, Birch, Chenault, Claman, Drummond, Eastman, Foster, Gara, Grenn, Guttenberg, Johnson, Johnston, Josephson, Kawasaki, Kito, Kopp, Kreiss-Tomkins, LeDoux, Lincoln, Millett, Neuman, Ortiz, Parish, Pruitt, Rauscher, Reinbold, Saddler, Seaton, Spohnholz, Stutes, Sullivan-Leonard, Talerico, Tarr, Thompson, Tilton, Tuck, Wool, Zulkosky

ENGROSSMENT**HB 331**

CSHB 331(FIN) was engrossed, signed by the Speaker and Chief Clerk, and transmitted to the Senate for consideration.

ANNOUNCEMENTS

With appointment of the Conference Committee on the operating budget, Rule 23(d) of the Uniform Rules is in effect as of April 13.

House committee schedules are published under separate cover.

ADJOURNMENT

Representative Tuck moved and asked unanimous consent that the House adjourn until 10:00 a.m., May 4 (page 3564). The House adjourned at 4:01 p.m.

Crystaline Jones
Chief Clerk