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Saturday

April 14, 2018

Eighty-ninth Day

Pursuant to adjournment the Senate was called to order by President Kelly at 11:39 a.m.

The roll showed twenty members present.

The prayer was offered by the Chaplain, Senator Bishop. Senator Hoffman moved and asked unanimous consent that the prayer be spread. Without objection, it was so ordered.

Dear Heavenly Father, We'd ask in these final days
towards the end that you give us a double dose of
love, compassion, and understanding as we bring the
peoples' business to a conclusion.

In your name I pray,

Amen.

Senator Olson led the Senate in the Pledge of Allegiance.

Certification

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

Messages from the House**SCR 14**

Message dated April 13 was read stating the House passed and returned:

SENATE CONCURRENT RESOLUTION NO. 14
Relating to awarding the Alaska Decoration of Honor
to certain members of the military.

The resolution was referred to the Secretary for enrollment.

SCR 17

Message dated April 13 was read stating the House passed and returned:

SENATE CONCURRENT RESOLUTION NO. 17
Proclaiming April 2018 as Sexual Assault Awareness
Month.

The resolution was referred to the Secretary for enrollment.

Messages dated April 13 were read stating the House passed and transmitted for consideration:

**First Reading and Reference of
House Resolutions****HCR 23**

CS FOR HOUSE CONCURRENT RESOLUTION NO. 23(RES) BY
THE HOUSE RESOURCES COMMITTEE,

Supporting enhanced efforts to protect wildlife and
domestic animals in the state from infectious
diseases, foreign pathogens, and nonendemic
parasites.

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

HCR 30

HOUSE CONCURRENT RESOLUTION NO. 30 BY THE HOUSE RULES COMMITTEE,

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning Senate Bill No. 163, relating to commercial motor vehicles.

was read the first time and held on the Secretary's desk.

First Reading and Reference of House Bills**HB 212**

CS FOR HOUSE BILL NO. 212(RLS) BY THE HOUSE RULES COMMITTEE, entitled:

"An Act relating to funding for school construction and major maintenance; relating to the regional educational attendance area and small municipal school district fund; and providing for an effective date."

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

HB 240

CS FOR HOUSE BILL NO. 240(FIN) BY THE HOUSE FINANCE COMMITTEE, entitled:

"An Act relating to prescription prices available to consumers; relating to penalties for certain pharmacy or pharmacist violations; relating to the registration and duties of pharmacy benefits managers; relating to procedures, guidelines, and enforcement mechanisms for pharmacy audits; relating to the cost of multi-source generic drugs and insurance reimbursement procedures; relating to the duties of the director of the division of insurance; and providing for an effective date."

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

HB 262

CS FOR HOUSE BILL NO. 262(L&C) BY THE HOUSE LABOR AND COMMERCE COMMITTEE, entitled:

"An Act relating to temporary courtesy licenses for certain nonresident professionals; and relating to the Department of Commerce, Community, and Economic Development."

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

HB 306

CS FOR HOUSE BILL NO. 306(FIN) BY THE HOUSE FINANCE COMMITTEE, entitled:

"An Act relating to disbursement options under the Public Employees' Retirement System of Alaska and the Teachers' Retirement System of Alaska for participants in the defined contribution plan; and providing for an effective date."

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

HB 319

CS FOR HOUSE BILL NO. 319(JUD) am BY THE HOUSE JUDICIARY COMMITTEE, entitled:

"An Act relating to criminal background checks for marijuana establishment registrations and renewals; and providing for an effective date."

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

HB 401

CS FOR HOUSE BILL NO. 401(L&C) BY THE HOUSE LABOR AND COMMERCE COMMITTEE, entitled:

"An Act relating to insurance; relating to credit for reinsurance; relating to insurance standard valuation; and providing for an effective date."

was read the first time and referred to the Labor and Commerce Committee.

Concur Messages

SB 14

Message dated April 13 was read stating the House passed and returned for consideration CS FOR SENATE BILL NO. 14(FIN) am "An Act relating to transportation network companies and transportation network company drivers; and providing for an effective date" with the following amendment:

HOUSE CS FOR CS FOR SENATE BILL
NO. 14(RLS)

SB 163

Message dated April 13 was read stating the House passed and returned for consideration CS FOR SENATE BILL NO. 163(STA) "An Act relating to commercial motor vehicles" with the following amendment:

HOUSE CS FOR CS FOR SENATE BILL
NO. 163(RLS) "An Act relating to commercial motor
vehicles; and relating to overtaking and passing
certain stationary vehicles." (Title Change HCR 30)

Standing Committee Reports

SB 76

The Judiciary Committee considered SPONSOR SUBSTITUTE FOR SENATE BILL NO. 76 "An Act relating to alcoholic beverages; relating to the regulation of manufacturers, wholesalers, retailers, and common carriers of alcoholic beverages; relating to licenses, endorsements, and permits involving alcoholic beverages; relating to

the Alcoholic Beverage Control Board; relating to offenses involving alcoholic beverages; amending Rule 17, Alaska Rules of Minor Offense Procedure; and providing for an effective date" and recommended it be replaced with

CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 76(JUD) "An Act relating to alcoholic beverages; relating to the regulation of manufacturers, wholesalers, retailers, and common carriers of alcoholic beverages; relating to licenses, endorsements, and permits involving alcoholic beverages; relating to the Alcoholic Beverage Control Board; relating to offenses involving alcoholic beverages; amending Rule 17(h), Alaska Rules of Minor Offense Procedure; and providing for an effective date."

Signing do pass: Senator Coghill, Chair. Signing no recommendation: Senator Wielechowski. Signing amend: Senators Costello, Shower.

The following previously published fiscal information applies:

Fiscal Note No. 1, Department of Commerce, Community and Economic Development

Fiscal Note No. 2, zero, Department of Health and Social Services

President Kelly added a Finance Committee referral to the bill.

The bill was referred to the Finance Committee.

HB 20

The Judiciary Committee considered CS FOR HOUSE BILL NO. 20(JUD) "An Act relating to marriage solemnization; and authorizing elected public officials in the state to solemnize marriages." Signing do pass: Senator Coghill, Chair. Signing no recommendation: Senators Costello, Shower.

The following previously published fiscal information applies:

Fiscal Note No. 2, zero, Department of Health and Social Services

The bill was referred to the Rules Committee.

HB 31

The Finance Committee considered CS FOR HOUSE BILL NO. 31(FIN) "An Act relating to law enforcement training in domestic violence and sexual assault; relating to sexual assault investigation protocols; requiring an inventory and reports on untested sexual assault examination kits; and providing for an effective date" and recommended the adoption of the State Affairs Senate Committee Substitute offered on page 2352. Signing do pass: Senators Hoffman, MacKinnon, Cochairs; Senators Bishop, von Imhof, Stevens, Micciche. Signing no recommendation: Senator Olson.

The following fiscal information was published today:

Fiscal Note No. 5, zero, Department of Public Safety

The following previously published fiscal information applies:

Fiscal Note No. 3, zero, Department of Public Safety

The bill was referred to the Rules Committee.

HB 110

The Finance Committee considered CS FOR HOUSE BILL NO. 110(L&C) "An Act relating to the Board of Massage Therapists; relating to the practice of massage therapy; relating to massage therapy establishments; relating to the Department of Commerce, Community, and Economic Development; and providing for an effective date." Signing do pass: Senators Hoffman, MacKinnon, Cochairs; Senators Bishop, von Imhof, Stevens. Signing no recommendation: Senators Olson, Micciche.

The following previously published fiscal information applies:

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

The bill was referred to the Rules Committee.

HB 121

The Finance Committee considered HOUSE BILL NO. 121 "An Act relating to occupational safety and health enforcement penalties; and providing for an effective date." Signing do pass: Senator Bishop, Vice Chair; Senators von Imhof, Stevens, Micciche. Signing no recommendation: Senator Olson.

The following previously published fiscal information applies:
Fiscal Note No. 2, Department of Labor and Workforce
Development

The bill was referred to the Rules Committee.

HB 136

The State Affairs Committee considered CS FOR HOUSE BILL NO. 136(TRA) "An Act relating to motor vehicle franchises, motor vehicle dealers, motor vehicle manufacturers, and motor vehicle distributors." Signing do pass: Senator Meyer, Chair; Senators Wilson, Giessel, Coghill, Egan.

The following previously published fiscal information applies:
Fiscal Note No. 2, zero, Department of Law

The bill is on today's calendar.

HB 215

The Finance Committee considered CS FOR HOUSE BILL NO. 215(FIN) "An Act relating to program receipts; and relating to fees for services provided by the Department of Health and Social Services." Signing do pass: Senator Bishop, Vice Chair; Senators von Imhof, Stevens, Micciche. Signing no recommendation: Senator Olson.

The following previously published fiscal information applies:
Fiscal Note No. 2, Department of Health and Social Services

The bill was referred to the Rules Committee.

HB 318

The Finance Committee considered CS FOR HOUSE BILL NO. 318(FIN) "An Act extending the termination date of the Board of Social Work Examiners; relating to the composition of the Board of Social Work Examiners; and providing for an effective date." Signing do pass: Senator MacKinnon, Cochair; Senators Bishop, von Imhof, Stevens, Olson, Micciche.

The following fiscal information was published today:

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

The bill was referred to the Rules Committee.

HB 323

The Finance Committee considered HOUSE BILL NO. 323 "An Act extending the termination date of the Board of Pharmacy; and providing for an effective date." Signing do pass: Senator MacKinnon, Cochair; Senators Bishop, von Imhof, Stevens, Olson, Micciche.

The following previously published fiscal information applies:

Fiscal Note No. 1, Department of Commerce, Community and
Economic Development

The bill was referred to the Rules Committee.

SJR 9

The State Affairs Committee considered SENATE JOINT RESOLUTION NO. 9 Proposing amendments to the Constitution of the State of Alaska relating to the Alaska permanent fund and to appropriations from the Alaska permanent fund. Signing no recommendation: Senator Meyer, Chair; Senator Giessel. Signing do pass: Senator Wilson. Signing amend: Senators Coghill, Egan.

The following fiscal information was published today:

Fiscal Note No. 1, zero, Legislative Agency
Fiscal Note No. 2, zero, Office of the Governor

The resolution was referred to the Judiciary Committee.

HB 6

Senator Meyer, Chair, moved and asked unanimous consent CS FOR HOUSE BILL NO. 6(RES) am "An Act establishing the Jonesville Public Use Area" be waived from the Rules Committee for placement on the calendar. Without objection, it was so ordered.

The bill is on today's calendar.

Special Committee Reports

HB 285

April 14, 2018

Mr. President:

Mr. Speaker:

The Conference Committee considering CS FOR HOUSE BILL NO. 285(FIN) "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" and SENATE CS FOR CS FOR HOUSE BILL NO. 285(FIN) respectfully requests limited powers of free conference on the appropriations and language that are not identical in the House and Senate versions of HB 285.

Signing the report: Senator Hoffman, Chair; Senators MacKinnon, Olson. Representative Seaton, Chair; Representatives Foster, Thompson.

President Kelly granted the Senate members limited powers of free conference as requested.

The Secretary was requested to notify the House.

HB 286

April 14, 2018

Mr. President:

Mr. Speaker:

The Conference Committee considering CS FOR HOUSE BILL NO. 286(FIN) am(brf sup maj fld)(efd fld) "An Act making appropriations for the operating and loan program expenses of state government and for certain programs; capitalizing funds; amending appropriations; and making supplemental appropriations"

and

SENATE CS FOR CS FOR HOUSE BILL NO. 286(FIN) "An Act making appropriations for the operating and loan program expenses of state government and for certain programs; capitalizing funds; amending appropriations; making supplemental appropriations; making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional budget reserve fund; and providing for an effective date"

respectfully requests limited powers of free conference on the appropriations and language that are not identical in the House and Senate versions of HB 286.

Signing the report: Senator Hoffman, Chair; Senators MacKinnon, Olson. Representative Seaton, Chair; Representatives Foster, Thompson.

President Kelly granted the Senate members limited powers of free conference as requested.

The Secretary was requested to notify the House.

Consideration of the Calendar

Second Reading of House Bills

HB 6

CS FOR HOUSE BILL NO. 6(RES) am "An Act establishing the Jonesville Public Use Area" was read the second time.

Senator Micciche moved and asked unanimous consent the bill be advanced to third reading and placed on final passage. Without objection, it was so ordered.

CS FOR HOUSE BILL NO. 6(RES) am was read the third time.

The question being: "Shall CS FOR HOUSE BILL NO. 6(RES) am "An Act establishing the Jonesville Public Use Area" pass the Senate?" The roll was taken with the following result:

CSHB 6(RES) am
Third Reading - Final Passage

YEAS: 20 NAYS: 0 EXCUSED: 0 ABSENT: 0

Yeas: Begich, Bishop, Coghill, Costello, Egan, Gardner, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Olson, Shower, Stedman, Stevens, von Imhof, Wielechowski, Wilson

and so, CS FOR HOUSE BILL NO. 6(RES) am passed the Senate, was signed by the President and Secretary and returned to the House.

HB 136

CS FOR HOUSE BILL NO. 136(TRA) "An Act relating to motor vehicle franchises, motor vehicle dealers, motor vehicle manufacturers, and motor vehicle distributors" was read the second time.

Senator Micciche moved and asked unanimous consent the bill be advanced to third reading and placed on final passage. Without objection, it was so ordered.

CS FOR HOUSE BILL NO. 136(TRA) was read the third time.

Senators Meyer, Wilson, Coghill, Egan, Gardner, MacKinnon, Giessel, Bishop, Micciche, von Imhof, Kelly moved and asked unanimous consent to be shown as cross sponsors on the bill. Without objection, it was so ordered.

The question being: "Shall CS FOR HOUSE BILL NO. 136(TRA) "An Act relating to motor vehicle franchises, motor vehicle dealers, motor vehicle manufacturers, and motor vehicle distributors" pass the Senate?" The roll was taken with the following result:

CSHB 136(TRA)
Third Reading - Final Passage

YEAS: 19 NAYS: 0 EXCUSED: 0 ABSENT: 1

Yeas: Begich, Bishop, Coghill, Costello, Egan, Gardner, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Olson, Shower, Stevens, von Imhof, Wielechowski, Wilson

Absent: Stedman

and so, CS FOR HOUSE BILL NO. 136(TRA) passed the Senate, was signed by the President and Secretary and returned to the House.

HB 236

CS FOR HOUSE BILL NO. 236(FIN) "An Act extending the Alaska senior benefits payment program" was read the second time.

Senator Micciche moved and asked unanimous consent the bill be advanced to third reading and placed on final passage. Without objection, it was so ordered.

CS FOR HOUSE BILL NO. 236(FIN) was read the third time.

The question being: "Shall CS FOR HOUSE BILL NO. 236(FIN) "An Act extending the Alaska senior benefits payment program" pass the Senate?" The roll was taken with the following result:

CSHB 236(FIN)

Third Reading - Final Passage

YEAS: 19 NAYS: 0 EXCUSED: 0 ABSENT: 1

Yeas: Begich, Bishop, Coghill, Costello, Egan, Gardner, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Olson, Shower, Stevens, von Imhof, Wielechowski, Wilson

Absent: Stedman

and so, CS FOR HOUSE BILL NO. 236(FIN) passed the Senate.

Third Reading of Senate Bills**SB 102**

SENATE BILL NO. 102 "An Act relating to funding for Internet services for school districts; and relating to the Alaska higher education investment fund" was read the third time.

Senator Micciche moved and asked unanimous consent the bill be held in third reading to the April 15 calendar. Without objection, it was so ordered.

SB 185

CS FOR SENATE BILL NO. 185(EDC) "An Act relating to reemployment of persons who retire under the teachers' retirement system" was read the third time.

Senator Wielechowski moved the bill be returned to second reading for the purpose of a specific amendment, that being Amendment No. 1. Without objection, the bill was returned to second reading.

Senator Wielechowski offered Amendment No. 1:

Page 1, line 2, following "**system**":

Insert "; relating to the Public Employees' Retirement System of Alaska and the teachers' retirement system; providing certain employees an opportunity to choose between the defined benefit and defined contribution plans of the Public Employees' Retirement System of Alaska and the teachers' retirement system; and providing for an effective date"

Page 2, following line 29:

Insert new bill sections to read:

**** Sec 2.** AS 14.20.165 is amended to read:

Sec. 14.20.165. Restoration of tenure rights. A teacher who held tenure rights and who was retired due to disability under AS 14.25.130, but whose disability (1) has been removed, and the removal of that disability is certified by a competent physician following a physical or mental examination, or (2) has been compensated for by rehabilitation or other appropriate restorative

education or training, and that rehabilitation or restoration to health has been certified by the **commissioner of administration** [DIVISION OF VOCATIONAL REHABILITATION OF THE DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT], shall be restored to full tenure rights in the district from which the teacher was retired, at such time as an opening for which the teacher is qualified becomes available.

* **Sec. 3.** AS 14.25.009 is repealed and reenacted to read:

Sec. 14.25.009. Applicability of AS 14.25.009 - 14.25.220.

(a) The provisions of AS 14.25.009 - 14.25.220 apply to teachers who are eligible to be members of the teachers' retirement system under AS 14.25.009 - 14.25.220 and are not members of the defined contribution retirement plan under AS 14.25.310 - 14.25.590.

(b) An employer that participates in the plan shall also participate in the defined contribution retirement plan under AS 14.25.310 - 14.25.590.

* **Sec. 4.** AS 14.25.040(a) is amended to read:

(a) Unless a teacher or member participates in a university retirement program under AS 14.40.661 - 14.40.799 or has elected under **AS 14.25.330 or former** AS 14.25.540 to participate in the plan established in AS 14.25.310 - 14.25.590, a teacher or member contracting for service with a participating employer is subject to AS 14.25.009 - 14.25.220."

Renumber the following bill sections accordingly.

Page 4, following line 5:

Insert new bill sections to read:

** **Sec. 8.** AS 14.25.050(a) is amended to read:

(a) Except as provided in (c) **and (e)** of this section, beginning January 1, 1991, each member shall contribute to the plan an amount equal to 8.65 percent of the member's base salary accrued from July 1 to the following June 30. [THE EMPLOYER SHALL DEDUCT THE CONTRIBUTION FROM THE MEMBER'S SALARY AT THE END OF EACH PAYROLL PERIOD, AND THE CONTRIBUTION SHALL BE CREDITED BY THE PLAN TO THE MEMBER CONTRIBUTION ACCOUNT. THE CONTRIBUTIONS SHALL BE DEDUCTED FROM EMPLOYEE COMPENSATION BEFORE THE

COMPUTATION OF APPLICABLE FEDERAL TAXES AND SHALL BE TREATED AS EMPLOYER CONTRIBUTIONS UNDER 26 U.S.C. 414(h)(2). A MEMBER MAY NOT HAVE THE OPTION OF MAKING THE PAYROLL DEDUCTION DIRECTLY IN CASH INSTEAD OF HAVING THE CONTRIBUTION PICKED UP BY THE EMPLOYER.]

* **Sec. 9.** AS 14.25.050 is amended by adding new subsections to read:

(e) Except as provided in (a) and (c) of this section, a member who first participates in the plan after June 30, 2006, shall contribute to the plan an amount equal to eight percent of the employee's base salary accrued from July 1 to the following June 30.

(f) The employer shall deduct the contributions under (a) and (e) of this section from the member's salary at the end of each payroll period, and the contributions shall be credited by the plan to the member contribution account. The contributions shall be deducted from employee compensation before the computation of applicable federal taxes and shall be treated as employer contributions under 26 U.S.C. 414(h)(2). A member may not have the option of making the payroll deduction directly in cash instead of having the contribution picked up by the employer."

Renumber the following bill sections accordingly.

Page 4, following line 11:

Insert new bill sections to read:

"* **Sec. 11.** AS 14.25.130(c) is repealed and reenacted to read:

(c) A disabled member receiving a benefit under this section shall undergo a medical examination as often as the administrator considers advisable, but not more frequently than once each year. The administrator shall determine the place of the examination and engage the physician or physicians. If the administrator determines that the examination indicates that the disabled member is no longer incapacitated because of a total and apparently permanent occupational disability, the administrator may not issue further disability benefits to the disabled member.

* **Sec. 12.** AS 14.25.130 is amended by adding a new subsection to read:

(g) A person who first becomes a member after June 30,

2006, and who is appointed to disability benefits shall, within 30 days after the date disability benefits commence, provide the administrator with proof that the member has applied for enrollment in a vocational rehabilitation program approved by the administrator. Unless the member demonstrates cause, the benefits terminate at the end of the first month in which the member

(1) fails to provide the administrator with the required proof of application for enrollment;

(2) is certified by the administrator as failing to enroll in or cooperate with a vocational rehabilitation program approved under this subsection;

(3) fails to interview for a job; or

(4) fails to accept a job offered.

* **Sec. 13.** AS 14.25.168(d) is amended to read:

(d) A benefit recipient **who first became a member before July 1, 2006, or the benefit recipient's surviving spouse** may elect major medical insurance coverage in accordance with regulations and under the following conditions:

(1) a **benefit recipient** [PERSON] who has less than 25 years of membership service and who is younger than 60 years of age must pay an amount equal to the full monthly group premium for retiree major medical insurance coverage;

(2) a disabled member, a disabled member who is appointed to normal retirement, a person 60 years of age or older, or a person who has at least 25 years of membership service is not required to make premium payments.

* **Sec. 14.** AS 14.25.168 is amended by adding new subsections to read:

(g) A benefit recipient, or the surviving spouse of a benefit recipient, who first becomes a member after June 30, 2006, may elect major medical insurance coverage that was in effect before July 1, 2006, in accordance with regulations and under the following conditions:

(1) if the participating member or surviving spouse is not eligible for Medicare, the cost of a monthly premium for retiree major medical insurance coverage elected under this section is equal to the full monthly group premium for retiree major medical insurance coverage;

(2) if the participating member or surviving spouse is eligible for Medicare, the cost of a monthly premium for retiree

major medical insurance coverage is a percentage of the full monthly group premium, as follows:

(A) 30 percent if the member had 10 or more, but less than 15, years of service;

(B) 25 percent if the member had 15 or more, but less than 20, years of service;

(C) 20 percent if the member had 20 or more, but less than 25, years of service;

(3) the cost of a monthly premium paid by the member or the member's surviving spouse for retiree major medical insurance coverage is

(A) 15 percent of the full monthly group premium if the participating member has 25 or more, but less than 30, years of service;

(B) 10 percent of the full monthly group premium if the participating member has 30 or more years of service;

(4) a disabled member or a disabled member who is appointed to normal retirement is not required to make premium payments.

(h) On or after July 1, 2024, and every five years thereafter, the administrator shall adjust the percentages under (g)(2) and (3) of this section as needed to maintain, but not to exceed, over the succeeding five years, an employer normal cost rate for the members and survivors who first become members after June 30, 2006, that does not exceed the combined total of the rates under AS 14.25.350(a), (b), (d), and (e) minus the employer normal cost rate attributable to the members who first become members after June 30, 2006, for benefits under AS 14.25.009 - 14.25.167. An adjustment made under this subsection shall remain in effect for five years. In making an adjustment under this subsection, the administrator shall maintain the five percent differences between the percentages in (g)(2)(A), (B), and (C) of this section and the five percent differences between the percentages in (g)(3)(A) and (B) of this section.

(i) When a member is appointed to retirement, the member obtains a vested right to the applicable percentage under (g)(2) or (3) of this section, as adjusted under (h) of this section, that is in effect when the member is appointed to retirement. A member does not obtain a vested right to a percentage under (g)(2) or (3) of this section, as adjusted under (h) of this section, before the

member is appointed to retirement.

* **Sec. 15.** AS 14.25.310 is amended to read:

Sec. 14.25.310. Applicability of AS 14.25.310 - 14.25.590.

The provisions of AS 14.25.310 - 14.25.590 apply only to

(1) teachers who first become members on or after July 1, 2006, and before the effective date of this section who do not transfer to a defined benefit retirement plan under AS 14.25.009 - 14.25.220 or AS 39.35.095 - 39.35.680;

(2) teachers described in AS 14.25.330 who elect under that section to become [TO MEMBERS WHO ARE EMPLOYED BY EMPLOYERS THAT DO NOT PARTICIPATE IN THE DEFINED BENEFIT RETIREMENT PLAN ESTABLISHED UNDER AS 14.25.009 - 14.25.220, TO FORMER MEMBERS UNDER AS 14.25.220, OR TO] members; **and**

(3) teachers who transferred [TRANSFER] into the defined contribution retirement plan under **former** AS 14.25.540.

* **Sec. 16.** AS 14.25.310 is amended by adding a new subsection to read:

(b) An employer that participates in the plan shall also participate in the defined benefit retirement plan under AS 14.25.009 - 14.25.220.

* **Sec. 17.** AS 14.25.330 is repealed and reenacted to read:

Sec. 14.25.330. Retirement plan election option. (a) A teacher who is first hired on or after the effective date of this section may make a one-time election to participate in the defined contribution retirement plan under AS 14.25.310 - 14.25.590 retroactive to the date of hire and may transfer to that plan employee contributions, if any, and employer contributions, if any, that have been made to the defined benefit retirement plan under AS 14.25.009 - 14.25.220. Before employer contributions are transferred under this subsection, the administrator shall recalculate them under AS 14.25.070.

(b) The election to participate in the defined contribution retirement plan under (a) of this section must be made within 90 days after the date of hire and be made in writing on a form and in the manner prescribed by the administrator. Before accepting an election to participate in the defined contribution retirement plan, the administrator shall, within 20 days after the administrator receives notification of the teacher's date of hire, provide the

teacher eligible to make an election to participate in the defined contribution retirement plan under AS 14.25.310 - 14.25.590 with

(1) information, including calculations to illustrate the effect of moving the teacher's retirement plan from the defined benefit retirement plan to the defined contribution retirement plan; and

(2) other information clearly to inform the teacher of the potential consequences of the teacher's election.

(c) An election made under (a) of this section to participate in the defined contribution retirement plan is irrevocable. Retroactive to the date of hire, the teacher shall be enrolled in the defined contribution retirement plan under AS 14.25.310 - 14.25.590, the teacher's participation in the plan shall be governed by the provisions for the defined contribution retirement plan, and the teacher's participation in the defined benefit retirement plan under AS 14.25.009 - 14.25.220 shall terminate.

(d) When an eligible teacher makes an election under (a) of this section, the administrator shall cause the total amount of the teacher's employee and employer contributions, with investment earnings and losses through the final day of the teacher's participation in the defined benefit retirement plan, to be actuarially calculated and transferred to the teacher's designated account in the defined contribution retirement plan. The administrator shall establish transfer procedures by regulation, but the actual transfer may not be later than 30 days after the date the administrator receives the teacher's completed election form under (b) of this section, unless the major financial markets for securities available for a transfer are seriously disrupted by an unforeseen event that also causes the suspension of trading on any national securities exchange in the country where the securities were issued. In that event, the 30-day period may be extended by a resolution of the board. Transfers are not commissionable or subject to other fees and may be in the form of securities or cash as determined by the board. Securities shall be valued on the date of receipt in the teacher's account.

(e) An eligible teacher whose accounts are subject to a qualified domestic relations order may not make an election to participate in the defined contribution retirement plan under this section unless the qualified domestic relations order is amended or vacated and court-certified copies of the order are received by the

administrator.

* **Sec. 18.** AS 14.25.485(h) is repealed and reenacted to read:

(h) A member who is appointed to disability benefits shall, within 30 days after the date disability benefits commence, provide the administrator with proof that the member has applied for enrollment in a vocational rehabilitation program approved by the administrator. Unless the member demonstrates cause, the benefits terminate at the end of the first month in which the member

(1) fails to provide the administrator with the required proof of application for enrollment;

(2) is certified by the administrator as failing to enroll in or cooperate with a vocational rehabilitation program approved under this subsection;

(3) fails to interview for a job; or

(4) fails to accept a job offered.

* **Sec. 19.** AS 39.35.095 is repealed and reenacted to read:

Sec. 39.35.095. Applicability of AS 39.35.095 - 39.35.680.

(a) The provisions of AS 39.35.095 - 39.35.680 apply to public employees who are eligible to be members of the public employees' retirement system under AS 39.35.095 - 39.35.680 and are not members of the defined contribution retirement plan under AS 39.35.700 - 39.35.990.

(b) A public organization or a municipality or other political subdivision of the state that participates in the plan shall also participate in the defined contribution retirement plan under AS 39.35.700 - 39.35.990.

* **Sec. 20.** AS 39.35 is amended by adding a new section to read:

Sec. 39.35.128. Participation of elected officials of political subdivisions. (a) Except as provided in (b) of this section, a person who is an elected official of a political subdivision of the state and who has not participated in the plan or waived participation in the plan before July 1, 2019, is a member of the plan if

(1) the political subdivision has elected under AS 39.35.600 - 39.35.650 to designate elected officials in the classifications of employees entitled to participate in the plan; and

(2) the elected official receives compensation from the political subdivision for services as an elected official in the amount of at least \$2,001 a month.

(b) An elected official entitled to participate under this section, and who either has no previous service under the system with the political subdivision or is retired under the system, may file a waiver of participation in the plan with the administrator within 30 days after the later of July 1, 2019, or the date that the elected official's term of office begins. A waiver is irrevocable for the remainder of the elected official's service as an elected official or employee of the political subdivision.

* **Sec. 21.** AS 39.35.160(a) is amended to read:

(a) **Subject to (e) of this section, beginning** [BEGINNING] January 1, 1987, each peace officer or firefighter shall contribute to the plan an amount equal to seven and one-half percent of the peace officer's or firefighter's compensation. Except as provided in (d) **and (e)** of this section, beginning January 1, 1987, each other employee shall contribute to the plan an amount equal to six and three-quarters percent of the employee's compensation. [THE CONTRIBUTIONS SHALL BE DEDUCTED BY THE EMPLOYER AT THE END OF EACH PAYROLL PERIOD. THE CONTRIBUTIONS SHALL BE DEDUCTED FROM EMPLOYEE COMPENSATION BEFORE COMPUTATION OF APPLICABLE FEDERAL TAXES, AND THE CONTRIBUTIONS SHALL BE TREATED AS EMPLOYER CONTRIBUTIONS UNDER 26 U.S.C. 414(h)(2). A MEMBER MAY NOT HAVE THE OPTION OF MAKING THE PAYROLL DEDUCTION DIRECTLY INSTEAD OF HAVING THE CONTRIBUTION PICKED UP BY THE EMPLOYER.]

* **Sec. 22.** AS 39.35.160 is amended by adding new subsections to read:

(e) Except as provided in (a) and (d) of this section, an employee, including a peace officer or firefighter, who first participates in the plan after June 30, 2006, shall contribute to the plan an amount equal to eight percent of the employee's compensation.

(f) Contributions under (a) and (e) of this section shall be deducted by the employer at the end of each payroll period. The contributions shall be deducted from employee compensation before computation of applicable federal taxes, and the contributions shall be treated as employer contributions under 26 U.S.C. 414(h)(2). A member may not have the option of making the payroll deduction directly instead of having the contribution

picked up by the employer.

* **Sec. 23.** AS 39.35.400(e) is amended to read:

(e) A disabled employee receiving a nonoccupational disability benefit shall provide the administrator, **within** one year after appointment to disability benefits and once **within** each year thereafter until disability benefits **are denied or** cease, **with** proof **that the disabled employee has applied** [OF CONTINUING ELIGIBILITY] to receive disability payments under the Social Security Act. If the disabled employee is otherwise ineligible for a social security payment, the employee shall provide the administrator with sufficient medical evidence once each year to demonstrate that disability payments under the Social Security Act would be payable had the employee been otherwise eligible. If the disabled employee fails to provide the administrator with evidence of continuing eligibility for disability payments under the Social Security Act or other medical evidence required by the administrator within 30 days following each anniversary date, the disability benefits from the plan shall cease. If that information is subsequently provided to the administrator, benefit payments will resume beginning for the month following that in which the information is provided. When disability payments under the Social Security Act cease, it is the responsibility of the disabled employee to notify the administrator immediately.

* **Sec. 24.** AS 39.35.410 is amended by adding a new subsection to read:

(k) A person who first becomes an employee after June 30, 2006, and who is appointed to disability benefits shall, within 30 days after the date disability benefits commence, provide the administrator with proof that the employee has applied for enrollment in a vocational rehabilitation program approved by administrator. Unless the employee demonstrates cause, the benefits terminate at the end of the first month in which the employee

(1) fails to provide the administrator with the required proof of application for enrollment;

(2) is certified by the administrator as failing to enroll in or cooperate with a vocational rehabilitation program approved under this subsection;

(3) fails to interview for a job; or

(4) fails to accept a job offered.

* **Sec. 25.** AS 39.35.535(c) is amended to read:

(c) A benefit recipient may elect major medical insurance coverage in accordance with regulations and under the following conditions:

(1) a person **who first became a member before July 1, 2006, or the surviving spouse of the person**, other than a disabled member or a disabled member who is appointed to normal retirement, must pay an amount equal to the full monthly group premium for retiree major medical insurance coverage if the person is

(A) younger than 60 years of age and has less than

(i) 25 years of credited service as a peace officer under AS 39.35.360 and 39.35.370; or

(ii) 30 years of credited service under AS 39.35.360 and 39.35.370 that is not service as a peace officer; or

(B) of any age and has less than 10 years of credited service;

(2) a person **who first became a member before July 1, 2006, or the surviving spouse of the person** is not required to make premium payments for retiree major medical **insurance** coverage if the person

(A) is a disabled member;

(B) is a disabled member who is appointed to normal retirement;

(C) is 60 years of age or older and has at least 10 years of credited service; or

(D) has at least

(i) 25 years of credited service as a peace officer under AS 39.35.360 and 39.35.370; or

(ii) 30 years of credited service under AS 39.35.360 and 39.35.370 not as a peace officer;

(3) except as provided in (4) and (5) of this subsection, a benefit recipient who first becomes a member after June 30, 2006, or a benefit recipient who is the surviving spouse of a person who first becomes a member after June 30, 2006, may, in accordance with regulations, elect retiree major medical coverage that was in effect before July 1, 2006, and pay an amount equal to the full monthly group premium for retiree major medical insurance coverage; however, except as

provided in (4) and (5) of this subsection, if the benefit recipient is eligible for Medicare, the cost of a monthly premium is a percentage of the full monthly group premium, as follows:

(A) 30 percent if the member has 10 or more, but less than 15, years of service;

(B) 25 percent if the member has 15 or more, but less than 20, years of service;

(C) 20 percent if the member has 20 or more, but less than 25, years of service;

(D) 15 percent if the member has 25 or more, but less than 30, years of service not as a peace officer;

(4) except as provided in (5) of this subsection, a benefit recipient who first becomes a member after June 30, 2006, or a benefit recipient who is the surviving spouse of a person who first becomes a member after June 30, 2006, shall pay a monthly premium that is

(A) 15 percent of the cost of a full monthly group premium if the member has 25 or more, but less than 30, years of service as a peace officer; or

(B) 10 percent of the cost of a full monthly group premium if the member has 30 or more years of service;

(5) a benefit recipient who first becomes a member after June 30, 2006, is not required to make premium payments for retiree major medical coverage if the recipient

(A) is a disabled member; or

(B) is a disabled member who is appointed to normal retirement;

(6) on or after July 1, 2024, and every five years thereafter, the administrator shall adjust the percentages under (3) and (4) of this subsection as needed to maintain, but not to exceed, over the succeeding five years, an employer normal cost rate for the members and survivors who first became members after June 30, 2006, that does not exceed the combined total of the rates under AS 39.35.750(a), (b), (d), and (e) minus the employer normal cost rate attributable to the members who first become members after June 30, 2006, for benefits under AS 39.35.095 - 39.35.530; an adjustment made under this paragraph shall remain in effect for five years; in making an adjustment under this paragraph, the

administrator shall maintain the five percent differences between the percentages in (3)(A), (B), (C), and (D) of this subsection and the five percent differences between the percentages in (4)(A) and (B) of this subsection;

(7) when a member is appointed to retirement, the member obtains a vested right to the applicable percentage under (3) or (4) of this subsection, as adjusted under (6) of this subsection, that is in effect when the member is appointed to retirement; a member does not obtain a vested right to a percentage under (3) or (4) of this subsection, as adjusted under (6) of this subsection, before appointment to retirement.

* **Sec. 26.** AS 39.35.620(k) is amended to read:

(k) Termination of an employer's participation in the plan does not bar future participation in the system by that employer if the employer is current with payments on amounts due under AS 39.35.625. [IF A PREVIOUSLY TERMINATED EMPLOYER RETURNS TO THE SYSTEM, THE EMPLOYER MAY ONLY PARTICIPATE IN THE PLAN ESTABLISHED UNDER AS 39.35.700 - 39.35.990. EMPLOYEES MAY BE CREDITED UNDER AS 39.35.700 - 39.35.990 ONLY WITH SERVICE SUBSEQUENT TO THE DATE OF RETURN.]

* **Sec. 27.** AS 39.35.680(18) is amended to read:

(18) "employer" means

(A) the State of Alaska;

(B) a political subdivision or public organization of the state that participates in the plan based on a resolution to participate in the plan that was approved by the administrator [ON OR BEFORE JULY 1, 2006]; or

(C) a political subdivision or public organization of the state that, as a result of consolidation or reorganization [THAT OCCURS ON OR AFTER JULY 1, 2006], assumes liability under the plan of a political subdivision or public organization described in (B) of this paragraph;

* **Sec. 28.** AS 39.35.700 is amended to read:

Sec. 39.35.700. Applicability of AS 39.35.700 - 39.35.990.

The provisions of AS 39.35.700 - 39.35.990 apply only to

(1) members first hired on or after July 1, 2006, and before the effective date of this section who do not transfer to a defined benefit retirement plan under AS 14.25.009 - 14.25.220 or AS 39.35.095 - 39.35.680;

(2) public employees described in AS 39.35.720 who elect under that section to become [TO MEMBERS WHO ARE EMPLOYED BY EMPLOYERS THAT DO NOT PARTICIPATE IN THE DEFINED BENEFIT RETIREMENT PLAN ESTABLISHED UNDER AS 39.35.095 - 39.35.680, TO FORMER MEMBERS AS DEFINED IN AS 39.35.680, OR TO] members; **and**

(3) members who **transferred** [TRANSFER] into the defined contribution retirement plan under **former** AS 39.35.940.

* **Sec. 29.** AS 39.35.700 is amended by adding a new subsection to read:

(b) A public organization as defined in AS 39.35.680 or a municipality or other political subdivision of the state that participates in the plan shall also participate in the defined benefit retirement plan under AS 39.35.095 - 39.35.680.

* **Sec. 30.** AS 39.35.720 is repealed and reenacted to read:

Sec. 39.35.720. Retirement plan election option. (a) A public employee who is first hired on or after the effective date of this section may make a one-time election to participate in the defined contribution retirement plan under AS 39.35.700 - 39.35.990 retroactive to the date of hire and may transfer to that plan employee contributions, if any, and employer contributions, if any, that have been made to the defined benefit retirement plan under AS 39.35.095 - 39.35.680. Before employer contributions are transferred under this subsection, the administrator shall recalculate them under AS 39.35.255.

(b) The election to participate in the defined contribution retirement plan under (a) of this section must be made within 90 days after the date of hire and be made in writing on a form and in the manner prescribed by the administrator. Before accepting an election to participate in the defined contribution retirement plan under AS 39.35.700 - 39.35.990, the administrator shall, within 20 days after the administrator receives notice of the public employee's date of hire, provide the employee eligible to make an election to participate in the defined contribution retirement plan with

(1) information, including calculations to illustrate the effect of moving the employee's retirement plan from the defined benefit retirement plan to the defined contribution retirement plan; and

(2) other information clearly to inform the employee of the potential consequences of the employee's election.

(c) An election made under (a) of this section to participate in the defined contribution retirement plan is irrevocable. Retroactive to the date of hire, the employee shall be enrolled in the defined contribution retirement plan under AS 39.35.700 - 39.35.990, the employee's participation in the plan shall be governed by the provisions for the defined contribution retirement plan, and the employee's participation in the defined benefit retirement plan under AS 39.35.095 - 39.35.680 shall terminate.

(d) When an employee makes an election under (a) of this section, the administrator shall cause the total amount of the employee's employee and employer contributions, with investment earnings and losses through the final day of the employee's participation in the defined benefit retirement plan, to be actuarially calculated and transferred to the employee's designated account in the defined contribution retirement plan. The administrator shall establish transfer procedures by regulation, but the actual transfer may not be later than 30 days after the date the administrator receives the employee's completed election form under (b) of this section, unless the major financial markets for securities available for a transfer are seriously disrupted by an unforeseen event that also causes the suspension of trading on any national securities exchange in the country where the securities were issued. In that event, the 30-day period may be extended by a resolution of the board. Transfers are not commissionable or subject to other fees and may be in the form of securities or cash as determined by the board. Securities shall be valued on the date of receipt in the employee's account.

(e) An eligible employee whose accounts are subject to a qualified domestic relations order may not make an election to participate in the defined contribution retirement plan under this section unless the qualified domestic relations order is amended or vacated and court-certified copies of the order are received by the administrator.

* **Sec. 31.** AS 39.35.890(j) is repealed and reenacted to read:

(j) A member who is appointed to disability benefits shall, within 30 days after the date disability benefits commence, provide the administrator with proof that the member has applied for enrollment in a vocational rehabilitation program approved by

the administrator. Unless the member demonstrates cause, the benefits terminate at the end of the first month in which the member

(1) fails to provide the administrator with the required proof of application for enrollment;

(2) is certified by the administrator as failing to enroll in or cooperate with a vocational rehabilitation program approved under this subsection;

(3) fails to interview for a job; or

(4) fails to accept a job offered.

* **Sec. 32.** AS 14.25.012(c), 14.25.540; AS 39.35.940, and 39.35.957(b) are repealed.

* **Sec. 33.** The uncodified law of the State of Alaska is amended by adding a new section to read:

RETIREMENT PLAN ELECTION CHOICE. (a) A teacher who was first hired after June 30, 2006, and before the effective date of this section and who is a member of the defined contribution plan of the teachers' retirement system under AS 14.25.310 - 14.25.590 may make a one-time election, within 90 days after the effective date of this section, to participate in the defined benefit retirement plan under AS 14.25.009 - 14.25.220 and to transfer all contributions, including employer contributions, that have been made or should be made to the defined contribution retirement plan for service the member completes before the effective date of the member's participation in the defined benefit retirement plan.

(b) A public employee who was first hired after June 30, 2006, and before the effective date of this section and who is a member of the defined contribution plan of the public employees' retirement system under AS 39.35.700 - 39.35.990 may make a one-time election, within 90 days after the effective date of this section, to participate in the defined benefit retirement plan under AS 39.35.095 - 39.35.680 and to transfer all contributions, including employer contributions, that have been made or should be made to the defined contribution retirement plan for any service the member completes before the effective date of the member's participation in the defined benefit retirement plan.

* **Sec. 34.** The uncodified law of the State of Alaska is amended by adding a new section to read:

RETIREMENT PLAN ELECTION PROCEDURE;
REGULATIONS REQUIRED. (a) The election to participate in the

defined benefit retirement plan under sec. 33 of this Act must be made in writing on forms and in the manner prescribed by the administrator. Before accepting an election to participate in the defined benefit retirement plan, the administrator shall provide the employee planning on making an election to participate in the defined benefit retirement plan with information, including calculations to illustrate the effect of moving the employee's retirement plan from the defined contribution retirement plan to the defined benefit retirement plan as well as other information clearly to inform the employee of the potential consequences of the employee's election.

(b) An election made under sec. 33 of this Act to participate in the defined benefit retirement plan is irrevocable. On the effective date of the election, an eligible employee who makes the election shall be enrolled as a member of the defined benefit retirement plan, the employee's participation in the plan shall be governed by the provisions for the defined benefit retirement plan, and the employee's participation in the defined contribution retirement plan shall terminate. The employee's enrollment in the defined benefit retirement plan shall be effective retroactive to the date of hire. An election made by an eligible employee who is married is not effective unless the election is signed by the employee's spouse.

(c) When an eligible employee makes a one-time election under sec. 33 of this Act, the administrator shall cause the total amount of the employee's employee and employer contributions, with investment earnings and losses through the final day of the employee's participation as a member in the defined contribution retirement plan, to be actuarially calculated and, subject to (d) of this section, transferred to the pension fund in the defined benefit retirement plan. On the effective date of the employee's participation in the defined benefit retirement plan, the employee shall be credited with service in the defined benefit retirement plan that is equal to the employee's service in years, including fractional years, recognized for computing benefits that may be due from the defined contribution retirement plan. The board shall establish transfer procedures by regulation, but the actual transfer may not be later than 30 days after the date the administrator receives the employee's completed election forms under (a) of this section, unless the major financial markets for securities available for a transfer are seriously disrupted by an unforeseen event that also causes the suspension of trading on any national securities exchange in the country where the securities were issued. In that

event, the 30-day period may be extended by a resolution of the board. Transfers are not commissionable or subject to other fees and may be in the form of securities or cash as determined by the board. Securities shall be valued on the date of receipt in the employee's account.

(d) If the value actuarially calculated under (c) of this section is insufficient to pay for a service credit equal to the employee's actual service, the administrator shall allow the employee to create an indebtedness up to the amount needed to eliminate the insufficiency; however, if that value exceeds the amount needed to pay for a service credit equal to the employee's actual service, the administrator shall cause the excess to be paid to the employee as a rollover transfer to either an individual employee annuity account in the Department of Administration under the terms of AS 39.30.150 - 39.30.180 (State of Alaska Supplemental Annuity Plan) or, if the employee's employer does not participate in the State of Alaska Supplemental Annuity Plan, to an eligible retirement plan as defined in AS 14.25.360(d) or AS 39.35.760(d). An excess under this subsection may not be used to purchase service credit in a retirement plan administered under AS 14.25 or AS 39.35.

(e) The provisions of this section are subject to the requirements of the Internal Revenue Code and the limitations under AS 14.25.010, 14.25.320(c) and (d), 14.25.490, AS 39.35.115, 39.35.678, 39.35.710(c) and (d), and 39.35.895.

(f) In this section,

(1) "administrator" means the commissioner of administration or the person designated by the commissioner of administration under AS 39.35.003 for a public employees' retirement plan and under AS 14.25.003 for a teachers' retirement plan;

(2) "board" means the Alaska Retirement Management Board established under AS 37.10.210;

(3) "defined benefit retirement plan" means the retirement plan established under

(A) AS 14.25.009 - 14.25.220 for a teacher; or

(B) AS 39.35.095 - 39.35.680 for a public employee;

(4) "defined contribution retirement plan" means the retirement plan established under

(A) AS 14.25.310 - 14.25.590 for a teacher; or

(B) AS 39.35.700 - 39.35.990 for a public employee;

(5) "Internal Revenue Code" has the meaning given in AS 39.35.990."

Renumber the following bill sections accordingly.

Page 4, line 14:

Delete "This Act applies"

Insert "Sections 1, 5 - 7, and 10 of this Act apply"

Page 4, line 14, following "of":

Insert "secs. 1, 5 - 7, and 10 of "

Page 4, following line 15:

Insert new bill sections to read:

"* **Sec. 36.** The uncodified law of the State of Alaska is amended by adding a new section to read:

ADOPTION OF REGULATIONS. The commissioner of administration shall adopt regulations under AS 14.25.005 and AS 39.35.005 necessary to implement the changes made by secs. 2 - 4, 8, 9, and 11 - 35 of this Act. A regulation adopted under this section may not take effect before the effective date of the law being implemented by the regulation.

* **Sec. 37.** Sections 34 and 36 of this Act take effect immediately under AS 01.10.070(c).

* **Sec. 38.** Sections 2 - 4, 8, 9, 11 - 33, and 35 of this Act take effect July 1, 2019."

Senator Wielechowski moved for the adoption of Amendment No. 1. Senator Micciche objected.

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

CSSB 185(EDC)

Second Reading

Amendment No. 1?

YEAS: 5 NAYS: 14 EXCUSED: 0 ABSENT: 1

Yeas: Begich, Egan, Gardner, Olson, Wielechowski

Nays: Bishop, Coghill, Costello, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Shower, Stevens, von Imhof, Wilson

Absent: Stedman

and so, Amendment No. 1 failed.

CS FOR SENATE BILL NO. 185(EDC) "An Act relating to reemployment of persons who retire under the teachers' retirement system" was automatically in third reading.

Senator Begich moved and asked unanimous consent to abstain from voting on this and any other education bill considered today due to a conflict of interest. Objections were heard and Senator Begich was required to vote.

The question being: "Shall CS FOR SENATE BILL NO. 185(EDC) "An Act relating to reemployment of persons who retire under the teachers' retirement system" pass the Senate?" The roll was taken with the following result:

CSSB 185(EDC)

Third Reading - Final Passage

YEAS: 19 NAYS: 0 EXCUSED: 0 ABSENT: 1

Yeas: Begich, Bishop, Coghill, Costello, Egan, Gardner, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Olson, Shower, Stevens, von Imhof, Wielechowski, Wilson

Absent: Stedman

and so, CS FOR SENATE BILL NO. 185(EDC) passed the Senate and was referred to the Secretary for engrossment.

Third Reading of House Bills

HB 287

SENATE CS FOR HOUSE BILL NO. 287(FIN) "An Act making appropriations for public education and transportation of students; and providing for an effective date" was read the third time.

Senator Wielechowski moved the bill be returned to second reading for all amendments offered today. Without objection, the bill was returned to second reading.

Senator Wielechowski offered Amendment No. 1:

Page 5, lines 21 - 23:

Delete all material.

Renumber the following bill sections accordingly.

Page 5, line 25:

Delete "sec. 8"

Insert "sec. 7"

Senator Wielechowski moved for the adoption of Amendment No. 1.
Senator Micciche objected.

Senator Micciche rose to a point of order. Senator Kelly cautioned members to proceed in order.

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

SCS HB 287(FIN)

Second Reading

Amendment No. 1?

YEAS: 8 NAYS: 11 EXCUSED: 0 ABSENT: 1

Yeas: Begich, Egan, Gardner, Hughes, Olson, Shower, Wielechowski, Wilson

Nays: Bishop, Coghill, Costello, Giessel, Hoffman, Kelly, MacKinnon, Meyer, Micciche, Stevens, von Imhof

Absent: Stedman

and so, Amendment No. 1 failed.

Senator Begich offered Amendment No. 2:

Page 5, line 1, following "DEVELOPMENT.":

Insert "(a) The amount necessary to fund the base student allocation at \$6,030, when added to the appropriations made to the public education fund (AS 14.17.300) by the Thirtieth Alaska State Legislature during the Second Regular Session and enacted into law

on or before July 1, 2018, estimated to be \$25,595,400, is appropriated from the general fund to the Department of Education and Early Development to be distributed as grants to school districts according to the average daily membership for each district adjusted under AS 14.17.410(b)(1)(A) - (D) for the fiscal year ending June 30, 2019.

(b) The amount necessary to fund the base student allocation at \$6,030, when added to the appropriations made in secs. 5(c) and (d) of this Act, is appropriated from the general fund to the Department of Education and Early Development to be distributed as grants to school districts according to the average daily membership for each district adjusted under AS 14.17.410(b)(1)(A) - (D) for the fiscal year ending June 30, 2020.

(c)"

Page 5, line 21:

Delete "secs. 4"

Insert "secs. 4(b) and (c)"

Page 5, line 24:

Delete "Sections 4"

Insert "Sections 4(b) and (c)"

Senator Begich moved for the adoption of Amendment No. 2. Senator MacKinnon objected.

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

SCS HB 287(FIN)

Second Reading

Amendment No. 2?

YEAS: 5 NAYS: 14 EXCUSED: 0 ABSENT: 1

Yeas: Begich, Egan, Gardner, Olson, Wielechowski

Nays: Bishop, Coghill, Costello, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Shower, Stevens, von Imhof, Wilson

Absent: Stedman

and so, Amendment No. 2 failed.

Senator Gardner offered Amendment No. 3:

Page 1, line 1, following "**students**":

Insert "**making other appropriations**;"

Page 5, following line 5:

Insert a new bill section to read:

"* **Sec. 5.** DEPARTMENT OF HEALTH AND SOCIAL SERVICES. The sum of \$23,572,600 is appropriated from the general fund to the Department of Health and Social Services, public assistance, senior benefits payment program, for the senior benefits payment program for the fiscal year ending June 30, 2019."

Renumber the following bill sections accordingly.

Page 5, line 19:

Delete "sec. 5"

Insert "sec. 6"

Page 5, line 21:

Delete "5(c) and (d)"

Insert "6(c) and (d)"

Page 5, line 24:

Delete "5(c) and (d)"

Insert "6(c) and (d)"

Page 5, line 25:

Delete "sec. 8"

Insert "sec. 9"

Senator Gardner moved for the adoption of Amendment No. 3.
Senator Micciche objected.

Senator Gardner moved and asked unanimous consent for the adoption of the following amendment to Amendment No. 3:

Page 1, line 7 of Amendment No. 3:

"Delete \$23,572,600

Insert \$3,590,000"

Without objection, Amendment No. 3 was amended.

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

SCS HB 287(FIN)

Second Reading

Amendment No. 3 as amended?

YEAS: 5 NAYS: 14 EXCUSED: 0 ABSENT: 1

Yeas: Begich, Egan, Gardner, Olson, Wielechowski

Nays: Bishop, Coghill, Costello, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Shower, Stevens, von Imhof, Wilson

Absent: Stedman

and so, Amendment No. 3 as amended failed.

SENATE CS FOR HOUSE BILL NO. 287(FIN) was automatically in third reading.

The question being: "Shall SENATE CS FOR HOUSE BILL NO. 287(FIN) "An Act making appropriations for public education and transportation of students; and providing for an effective date" pass the Senate?" The roll was taken with the following result:

SCS HB 287(FIN)

Third Reading - Final Passage

Effective Dates

YEAS: 15 NAYS: 4 EXCUSED: 0 ABSENT: 1

Yeas: Bishop, Coghill, Costello, Egan, Gardner, Giessel, Hoffman, Kelly, MacKinnon, Meyer, Micciche, Olson, Stevens, von Imhof, Wilson

Nays: Begich, Hughes, Shower, Wielechowski

Absent: Stedman

and so, SENATE CS FOR HOUSE BILL NO. 287(FIN) passed the Senate.

Senator Micciche moved and asked unanimous consent the vote on the passage of the bill be considered the vote on the effective date clauses. Without objection, it was so ordered and the bill was referred to the Secretary for engrossment.

Second Reading of Senate Resolutions

SCR 18

SENATE CONCURRENT RESOLUTION NO. 18 was read the second time and was before the Senate on final passage.

The question being: "Shall SENATE CONCURRENT RESOLUTION NO. 18 Proclaiming November 2018 as Diabetic Eye Disease Awareness Month, pass the Senate?" The roll was taken with the following result:

SCR 18

Second Reading - Final Passage

YEAS: 19 NAYS: 0 EXCUSED: 0 ABSENT: 1

Yeas: Begich, Bishop, Coghill, Costello, Egan, Gardner, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Olson, Shower, Stevens, von Imhof, Wielechowski, Wilson

Absent: Stedman

and so, SENATE CONCURRENT RESOLUTION NO. 18 passed the Senate and was referred to the Secretary for engrossment.

SR 9

SENATE RESOLUTION NO. 9 Relating to management of public land and resources in the state, was read the second time and was before the Senate on final passage.

Senator Wielechowski offered Amendment No. 1:

Page 1, following line 6:

Insert new material to read:

"**WHEREAS** section 28 of the Alaska Statehood Act provides, "All net profits from operation of Government mines, and all bonuses,

royalties, and rentals under leases as herein provided and all other payments received under this Act shall be distributed as follows as soon as practicable after December 31 and June 30 of each year: (1) 90 per centum thereof shall be paid by the Secretary of the Treasury to the State of Alaska for disposition by the legislature thereof; and (2) 10 per centum shall be deposited in the Treasury of the United States to the credit of miscellaneous receipts."; and"

Page 2, line 17, following "remedies;":

Insert "and"

Page 2, following line 17:

Insert new material to read:

"**WHEREAS** the federal Tax Cuts and Jobs Act signed into law by President Donald Trump on December 22, 2018, allows for oil exploration and development in the Arctic National Wildlife Refuge; and

WHEREAS the Tax Cuts and Jobs Act provides for a 50 percent share to Alaska with the federal government for bonuses, royalties, and rentals from mineral leases on federal land in the state, in contravention of the percentage shares required under the Alaska Statehood Act;"

Page 2, following line 26:

Insert new material to read:

"**FURTHER RESOLVED** that the Alaska Senate demands adherence to the Alaska Statehood Act, which provides that the state receive a 90 percent share of all bonuses, royalties, and rentals under leases received by the federal government for exploration and development in the Arctic National Wildlife Refuge; and be it"

Senator Wielechowski moved for the adoption of Amendment No. 1. Senator Micciche objected.

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

SR 9

Second Reading - Final Passage

Amendment No. 1?

YEAS: 8 NAYS: 11 EXCUSED: 0 ABSENT: 1

Yeas: Begich, Egan, Gardner, Hughes, Olson, Shower, Wielechowski, Wilson

Nays: Bishop, Coghill, Costello, Giessel, Hoffman, Kelly, MacKinnon, Meyer, Micciche, Stevens, von Imhof

Absent: Stedman

and so, Amendment No. 1 failed.

The question being: "Shall SENATE RESOLUTION NO. 9 Relating to management of public land and resources in the state, pass the Senate?" The roll was taken with the following result:

SR 9

Second Reading - Final Passage

YEAS: 16 NAYS: 3 EXCUSED: 0 ABSENT: 1

Yeas: Bishop, Coghill, Costello, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Olson, Shower, Stevens, von Imhof, Wielechowski, Wilson

Nays: Begich, Egan, Gardner

Absent: Stedman

and so, SENATE RESOLUTION NO. 9 passed the Senate and was referred to the Secretary for engrossment and enrollment.

Special Order of Business

Senator Micciche moved and asked unanimous consent the following Citation Calendar be made a special order of business. Without objection, it was so ordered.

Citation Calendar

Honoring - 2018 House Floor Staff

Representative(s) LeDoux

Senator(s) Kelly, Begich, Bishop, Coghill, Costello, Egan, Gardner, Giessel, Hoffman, Hughes, MacKinnon, Meyer, Micciche, Olson, Shower, Stedman, Stevens, von Imhof, Wielechowski, Wilson

Honoring - Andrea "Andi" Story

Representative(s) Parish

Senator(s) Egan, Kelly, Begich, Bishop, Coghill, Costello, Gardner, Hoffman, Hughes, MacKinnon, Meyer, Micciche, Olson, Shower, Stedman, Stevens, von Imhof, Wielechowski, Wilson

Honoring - Jon Allan Peterson

Representative(s) LeDoux

Senator(s) Wielechowski, Kelly, Begich, Bishop, Coghill, Costello, Egan, Gardner, Giessel, Hoffman, Hughes, MacKinnon, Meyer, Micciche, Olson, Shower, Stedman, Stevens, von Imhof, Wilson

Honoring - YK Delta Women in Philanthropy

Representative(s) Zulkosky

Senator(s) Hoffman, Kelly, Begich, Bishop, Coghill, Costello, Egan, Gardner, Giessel, Hughes, MacKinnon, Meyer, Micciche, Olson, Shower, Stedman, Stevens, von Imhof, Wielechowski, Wilson

Senator Micciche moved and asked unanimous consent the Citation Calendar be adopted. Without objection, the citations were adopted and referred to the Secretary for transmittal.

Citations

Senator Micciche moved and asked unanimous consent the following citation be made a special order of business. Without objection, it was so ordered.

Honoring - Sophie Woods

Representative(s) Edgmon

Senator(s) Hoffman, Kelly, Begich, Bishop, Coghill, Costello, Egan, Gardner, Giessel, Hughes, MacKinnon, Meyer, Micciche, Olson, Shower, Stedman, Stevens, von Imhof, Wielechowski, Wilson

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

Announcements

Rule 23(d) of the Alaska State Legislature Uniform Rules is currently in effect.

Announcements are at the end of the journal.

Engrossment**SB 185**

CS FOR SENATE BILL NO. 185(EDC) "An Act relating to reemployment of persons who retire under the teachers' retirement system" was engrossed, signed by the President and Secretary and transmitted to the House for consideration.

HB 287

SENATE CS FOR HOUSE BILL NO. 287(FIN) "An Act making appropriations for public education and transportation of students; and providing for an effective date" was engrossed, signed by the President and Secretary and returned to the House for consideration.

SCR 18

SENATE CONCURRENT RESOLUTION NO. 18 Proclaiming November 2018 as Diabetic Eye Disease Awareness Month, was engrossed, signed by the President and Secretary and transmitted to the House for consideration.

Adjournment

Senator Micciche moved and asked unanimous consent the Senate stand in adjournment until 11:15 a.m., April 15, 2018. Without objection, the Senate adjourned at 2:35 p.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

Apr 17 Tuesday Beltz 105 (tsbldg) 3:30 PM
+ HB 374 ON-BILL FINANCING OF ENERGY IMPROVEMENTS

Apr 19 Thursday Beltz 105 (tsbldg) 3:30 PM
Bills Previously Heard/Scheduled

EDUCATION

Apr 16 Monday Butrovich 205 8:00 AM
+ Bills Previously Heard/Scheduled

Apr 18 Wednesday Butrovich 205 8:00 AM
+ Bills Previously Heard/Scheduled

Apr 20 Friday Butrovich 205 8:00 AM
+ Bills Previously Heard/Scheduled

FINANCE

- Apr 14 Saturday Senate Finance 532 10:00 AM**
 -- Reconvene at 3:00 p.m. --
 + Bills Previously Heard/Scheduled:
 += HB 31 SEX ASSAULT TRAINING & EXAM KITS;DOM VIOL
 += HB 299 ABC BOARD: EXTEND; DIRECTOR; DECISIONS
 += HB 121 OCC. HEALTH AND SAFETY CIVIL PENALTIES
 += HB 215 DHSS: PUBLIC HEALTH FEES
 += HB 275 EXTEND: BOARD OF MASSAGE THERAPISTS
- Apr 15 Sunday Senate Finance 532 10:00 AM**
 + Bills Previously Heard/Scheduled
- Apr 16 Monday Senate Finance 532 9:00 AM**
 + HB 151 DHSS;CINA; FOSTER CARE; CHILD PROTECTION
 + HB 267 RELEASE HUNTING/FISHING RECORDS TO MUNI
 + Bills Previously Heard/Scheduled
- Apr 16 Monday Senate Finance 532 1:30 PM**
 += HB 176 EMER. MEDICAL TRANSPORT SERVICE PAYMENTS
 += HB 213 PUBLIC SCHOOL TRUST FUND
 + Bills Previously Heard/Scheduled
- Apr 17 Tuesday Senate Finance 532 9:00 AM**
 + HB 38 WORKERS' COMP: DEATH;PERM PARTIAL IMPAIR
 + HB 400 FEES FOR FIRE PREVENTION MEASURES
 + Bills Previously Heard/Scheduled
- Apr 17 Tuesday Senate Finance 532 1:30 PM**
 + Bills Previously Heard/Scheduled
- Apr 18 Wednesday Senate Finance 532 9:00 AM**
 + SB 62 REPEAL CERTIFICATE OF NEED PROGRAM
 <Bill Hearing Canceled>
 + Bills Previously Heard/Scheduled
- Apr 18 Wednesday Senate Finance 532 1:30 PM**
 += SB 62 REPEAL CERTIFICATE OF NEED PROGRAM
 <Bill Hearing Canceled>
 + Bills Previously Heard/Scheduled

FINANCE (continued)

Apr 19 Thursday Senate Finance 532 9:00 AM
 -- NO PUBLIC TESTIMONY AT THIS MEETING --
 + SB 127 CRIMINAL LAW;PAROLE;PROBATION;SENTENCING
 + Bills Previously Heard/Scheduled

Apr 19 Thursday Senate Finance 532 1:30 PM
 += SB 127 CRIMINAL LAW;PAROLE;PROBATION;SENTENCING
 -- Public Testimony <Limited to 2 Minutes> --
 + Bills Previously Heard/Scheduled

Apr 20 Friday Senate Finance 532 9:00 AM
 + HB 214 BREE'S LAW; DATING VIOLENCE PROGRAMS
 + Bills Previously Heard/Scheduled

Apr 20 Friday Senate Finance 532 1:30 PM
 += HB 214 BREE'S LAW; DATING VIOLENCE PROGRAMS
 -- Public Testimony <Limited to 2 Minutes> --
 + Bills Previously Heard/Scheduled

Apr 21 Saturday Senate Finance 532 10:00 AM
 + Bills Previously Heard/Scheduled

HEALTH & SOCIAL SERVICES

Apr 16 Monday Butrovich 205 1:30 PM
 No Meeting Scheduled

Apr 18 Wednesday Butrovich 205 1:30 PM
 No Meeting Scheduled

Apr 20 Friday Butrovich 205 1:30 PM
 No Meeting Scheduled

JUDICIARY

Apr 14 Saturday Beltz 105 (tsbldg) 9:00 AM
 += HB 20 SOLEMNIZE MARRIAGE: ELECTED OFFICIALS
 += SB 76 ALCOHOLIC BEVERAGE CONTROL; ALCOHOL REG
 + Bills Previously Heard/Scheduled

Apr 16 Monday Beltz 105 (tsbldg) 1:30 PM
 += SB 134 TERMINATION OF PARENTAL RTS;GUARDIANS
 += HJR 21 FEDS RESPECT STATE REG OF MARIJUANA
 + HB 123 DISCLOSURE OF HEALTH CARE COSTS
 += HB 208 TRUSTS; COMM PROP TRUSTS; POWERS OF APPT
 + SB 81 DHSS CENT. REGISTRY;LICENSE;BCKGROUND CHK
 + Bills Previously Heard/Scheduled

Apr 18 Wednesday Beltz 105 (tsbldg) 1:30 PM
 + HB 216 CRIMES;RESTITUTION;DIVIDEND FUND
 + HB 355 FIRE;FOREST LAND; CRIMES;FIRE PREVENTION
 + HB 342 LAND SALES PRACTICES
 + Bills Previously Heard/Scheduled

Apr 20 Friday Beltz 105 (tsbldg) 1:30 PM
 + Bills Previously Heard/Scheduled

LABOR & COMMERCE

Apr 14 Saturday Beltz 105 (tsbldg) 1:30 PM
 -- Meeting Postponed to 3:30 p.m. --
 += SJR 7 CONST. AM: VOTER APPROVAL FOR NEW TAXES
 += HB 170 AK SECURITIES ACT; PENALTIES; CRT. RULES
 += HB 142 UNEMPLOYMENT INSURANCE BENEFITS
 += HB 301 ALCOHOL LICENSES:BEV DISP/RESTAUR./LODGE
 + Bills Previously Heard/Scheduled

Apr 17 Tuesday Beltz 105 (tsbldg) 1:30 PM
 + Bills Previously Heard/Scheduled

Apr 19 Thursday Beltz 105 (tsbldg) 1:30 PM
 + Bills Previously Heard/Scheduled

RESOURCES

Apr 16 Monday Butrovich 205 3:30 PM
+ HCR 23 PROTECT WILDLIFE FROM FOREIGN PATHOGENS
-- Public Testimony --
+ HJR 29 REAUTHORIZE SECURE RURAL SCHOOLS ACT
-- Public Testimony --
+ HB 197 COMMUNITY SEED LIBRARIES; AGRICULTURE
-- Public Testimony --
+ HB 354 DIVE FISHERY ASSESSMENTS
-- Public Testimony --
+ Bills Previously Heard/Scheduled

Apr 18 Wednesday Butrovich 205 3:30 PM
+ Bills Previously Heard/Scheduled

Apr 20 Friday Butrovich 205 3:30 PM
+ Bills Previously Heard/Scheduled

STATE AFFAIRS

Apr 17 Tuesday Butrovich 205 3:30 PM
+ HCR 19 GOVERNOR: AK NATIVE LANGUAGES EMERGENCY
+ HB 97 REPEAL AK FIRE STANDS. COUNCIL TAX CREDIT
-- Public Testimony --
Bills Previously Heard/Scheduled

Apr 19 Thursday Butrovich 205 3:30 PM
+ Bills Previously Heard/Scheduled

TRANSPORTATION

Apr 17 Tuesday Butrovich 205 1:30 PM
+ Bills Previously Heard/Scheduled

Apr 19 Thursday Butrovich 205 1:30 PM
+ Bills Previously Heard/Scheduled

JOINT COMMITTEES**SELECT COMMITTEE ON LEGISLATIVE ETHICS**

Apr 21 Saturday Anch Lio Lg Conf Rm 10:30 AM
Senate Subcommittee
+ Public Comment
EXECUTIVE SESSION
Public Session

CONFERENCE COMMITTEES**CONFERENCE COMMITTEE ON HB285 AND HB286**

Apr 14 Saturday Senate Finance 532 11:00 AM
+ Organizational Meeting
+ HB 285 APPROP: MENTAL HEALTH BUDGET
+ HB 286 APPROP: OPERATING BUDGET/LOANS/FUNDS