ALASKA STATE LEGISLATURE

THIRTY-SECOND LEGISLATURE

SECOND SESSION

Juneau, Alaska

Friday

February 4, 2022

Eighteenth Day

Pursuant to adjournment the Senate was called to order by President Micciche at 10:34 a.m.

The roll showed fifteen members present. Senators Holland, Kawasaki, Myers were excused from a call of the Senate. Senators Bishop, von Imhof were absent.

The prayer was offered by the Chaplain, Pastor Keith Greene, Glacier Valley Church of God. Senator Hoffman moved and asked unanimous consent the prayer be spread. Without objection, it was so ordered.

Father,

I come to you this morning thanking you for the men and women here who have given up their time to help plan and run this great state. While we may not always agree on everything, God, one thing we do know and agree on is that this is a wonderful state. So, God, I ask you today for wisdom, for guidance, for insight. Bless what is done here today, Lord, so that in the end I honor you.

In the mighty name of Jesus, I pray, Amen.

Senator Hughes led the Senate in the Pledge of Allegiance.

Senator Hughes moved and asked unanimous consent Senator von Imhof be excused from a call of the Senate today. Without objection, Senator von Imhof was excused.

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Certification

Senator Hughes moved and asked unanimous consent the journals for the sixteenth and seventeenth legislative days be approved as certified by the Secretary. Without objection, it was so ordered.

The presence of Senator Bishop was noted.

Communications

The following reports are on file in the Office of the Secretary of the Senate:

Department of Environmental Conservation Annual Loan Fund Report FY2021 Alaska Drinking Water and Clean Water Funds in accordance with AS 37.05.035 and AS 46.03.032

Department of Natural Resources 2022 Reports to the Alaska Legislature

> Division of Mining, Land and Water Identified RS 2477 Rights-of-Way in accordance with AS 19.30.400

Annual Mining Report in accordance with AS 27.05.060

Status of the Land Disposal Income Fund in accordance with AS 38.04.022

Status of Land in the Land Disposal Bank in accordance with AS 38.04.020

Water Removals and Exports in accordance with AS 46.15.020

Notification of Interim Classifications in accordance with AS 38.05.300

Cooperative Resource Management or Development Agreements in accordance with AS 38.05.027

Efforts to Maintain or Enhance Access to and Along Fishing Streams in accordance with AS 38.04.205

Annual Report of Aquatic Farm Lease Applications, Monetary and Job Estimates, and Recommendations

Division of Oil and Gas 5 Year Program of Proposed Oil and Gas Lease Sales in accordance with AS 38.05.180

Division of Parks and Outdoor Recreation Report on Designations of Incompatible Use 2021 in accordance with AS 41.21.020

Department of Education & Early Development Notice of Availability: Alaska's Public Schools: A Report Card to the Public January 25, 2021 in accordance with AS 14.03.120

Standing Committee Reports

SB 9

The Finance Committee considered SENATE BILL NO. 9 "An Act relating to alcoholic beverages; relating to the regulation of manufacturers, wholesalers, and retailers of alcoholic beverages; relating to licenses, endorsements, and permits involving alcoholic beverages; relating to common carrier approval to transport or deliver 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" and recommended it be replaced with

CS FOR SENATE BILL NO. 9(FIN)

Signing do pass: Senator Bishop, Cochair; Senator Wielechowski. Signing no recommendation: Senator Stedman, Cochair. Signing amend: Senators Wilson, Olson. The following fiscal information was published today:

Fiscal Note No. 6, Alaska Judiciary System

Fiscal Note No. 7, indeterminate, Department of Revenue

Fiscal Note No. 8, Department of Commerce, Community, and Economic Development

Fiscal Note No. 9, zero, Department of Commerce, Community, and Economic Development

Fiscal Note No. 10, zero, Department of Health and Social Services

The bill is on today's calendar.

HB 3

The Judiciary Committee considered CS FOR HOUSE BILL NO. 3(JUD) "An Act relating to the definition of 'disaster'" and recommended it be replaced with

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

Signing do pass: Senator Holland, Chair; Senators Myers, Hughes, Kiehl. Signing no recommendation: Senator Shower.

The following fiscal information was published today: Fiscal Note No. 2, zero, Department of Administration

The bill was referred to the Rules Committee.

HB 87

The Transportation Committee considered CS FOR HOUSE BILL NO. 87(JUD) "An Act relating to electric-assisted bicycles."

Signing do pass: Senator Myers, Chair; Senators Bishop, Micciche, Kiehl. Signing no recommendation: Senator Shower.

The following fiscal information was published today: Fiscal Note No. 2, zero, Department of Administration

The bill was referred to the State Affairs Committee.

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HB 127

The Community and Regional Affairs Committee considered HOUSE BILL NO. 127 "An Act relating to the Alaska Municipal Bond Bank Authority."

Signing do pass: Senator Hughes, Chair; Senator Gray-Jackson. Signing no recommendation: Senators Myers, Wilson.

The following fiscal information was published today: Fiscal Note No. 2, Department of Revenue

The bill was referred to the Finance Committee.

HB 168

The Health and Social Services Committee considered HOUSE BILL NO. 168 "An Act requiring the Department of Health and Social Services to provide and allow submission of an electronic application for certain state benefits; and providing for an effective date" and recommended it be replaced with

SENATE CS FOR HOUSE BILL NO. 168(HSS)

Signing do pass: Senator Wilson, Chair; Senator Begich. Signing no recommendation: Senators Costello, Hughes, Reinbold.

The following fiscal information was published today: Fiscal Note No. 2, zero, Department of Health and Social Services

The bill was referred to the Finance Committee.

Introduction and Reference of Senate Resolutions

SR 3 SENATE RESOLUTION NO. 3 BY SENATOR SHOWER,

Relating to nonprofit, nongovernmental organization support for veterans in Alaska.

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

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Introduction and Reference of Senate Bills

SB 179

SENATE BILL NO. 179 BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR, entitled:

"An Act relating to the establishment of a renewable portfolio standard for regulated electric utilities; and providing for an effective date."

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

The following fiscal information was published today: Fiscal Note No. 1, Department of Commerce, Community, and Economic Development

Governor's transmittal letter dated February 2:

Dear President Micciche:

Under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill relating to the creation of a renewable portfolio standard for regulated electric utilities.

This bill would direct regulated utilities to increase their proportion of net electricity production from renewable energy resources to meet discrete statutory targets, starting with 20 percent renewable energy resources by 2025 and 80 percent renewable energy resources by 2040.

Benchmarks will be set every five years, beginning December 31, 2025, by dividing each utility's annual net sales to customers of generation derived from renewable energy resources by the same utility's total retail electricity sales each year. The Railbelt Reliability Council will be required to account for these production targets in their integrated resource planning. Reporting and attainment will be managed by the Regulatory Commission of Alaska, beginning with the first annual reports in 2024.

While 30 states and counting have passed a renewable portfolio standard as of 2020, this bill does not take a one-size-fits-all approach. Waivers have been provided for transmission capacity constraints, natural disasters, and many other "good cause" considerations. To emphasize Alaska's unique "succeed together" approach, utilities will be granted an exemption if production targets are met by all utilities in aggregate regardless of individual utility failures. Finally, all utilities have been granted one exemption from their first instance of noncompliance.

This bill takes a concrete step toward energy independence, long-term cost reductions through up to \$650 million in annual fuel savings by 2040, and the creation of a competitive marketplace for innovative power producers.

I urge your prompt and favorable action on this measure.

Sincerely, /s/ Mike Dunleavy Governor

SB 180

SENATE BILL NO. 180 BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR, entitled:

"An Act relating to commercial passenger vessel environmental compliance; relating to commercial passenger vessel fees; establishing the wastewater infrastructure grant fund; repealing the authority for citizens' suits relating to commercial passenger vessel environmental compliance; repealing the commercial passenger vessel recognition program; and providing for an effective date."

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

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The following fiscal information was published today: Fiscal Note No. 1, Department of Environmental Conservation Fiscal Note No. 2, Department of Environmental Conservation Fiscal Note No. 3, Department of Environmental Conservation Fiscal Note No. 4, Department of Environmental Conservation

Governor's transmittal letter dated February 2:

Dear President Micciche:

Under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill relating to commercial passenger vessel environmental compliance.

This bill is an update of the commercial passenger vessel environmental oversight statutes drafted by the Department of Environmental Conservation in 2001. The changes proposed in the bill will allow them to be more effective in protecting Alaska's environment. It repeals the statutory requirement for on-board ocean ranger observers created by ballot initiative in 2006 in favor of Department inspection staff spending more time on board vessels. It also changes the statutory fees applied to commercial passenger vessels, adjusts wastewater discharge definitions, and aligns the commercial passenger vessel environmental compliance program within the Department of Environmental Conservation's regulatory structure.

The proposal would retain the core structure of the Department's oversight, while repealing detailed provisions that are better managed in regulation for timely updates in response to changing science on contamination and pollutants. It has delayed effective dates, particularly for small commercial vessels, that allow uniform implementation and time for the industry to come into compliance with the new law.

Finally, the bill creates a new wastewater infrastructure grant fund that would be available for municipal port communities to apply and receive partial funding toward establishing, upgrading, or improving wastewater treatment collection systems or facilities that provide services to commercial passenger vessels.

I urge your prompt and favorable action on this measure.

Sincerely, /s/ Mike Dunleavy Governor

SB 181

SENATE BILL NO. 181 BY THE SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE, entitled:

"An Act relating to identification requirements for contractors."

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

Consideration of the Calendar

Second Reading of Senate Bills

SB 9

SENATE BILL NO. 9 "An Act relating to alcoholic beverages; relating to the regulation of manufacturers, wholesalers, and retailers of alcoholic beverages; relating to licenses, endorsements, and permits involving alcoholic beverages; relating to common carrier approval to transport or deliver 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" was read the second time.

1730

Senator Bishop, Cochair, moved and asked unanimous consent for the adoption of the Finance Committee Substitute offered today. Senator Begich objected, then withdrew his objection. There being no further objection, CS FOR SENATE BILL NO. 9(FIN) was adopted.

President Micciche stated CS FOR SENATE BILL NO. 9(FIN) will advance to third reading on the February 8 calendar.

Second Reading of House Resolutions

HJR 16

HOUSE JOINT RESOLUTION NO. 16 Encouraging the United States Congress to pass legislation granting the Hmong veterans of the Vietnam War access to the same veteran benefits received by United States veterans was read the second time.

President Micciche stated HOUSE JOINT RESOLUTION NO. 16 will advance to third reading on the February 8 calendar.

Citations

Honoring - W. Glenn Hackney Senator(s) Bishop Representative(s) Thompson

In Memoriam - Marcella "Sally" Dunlap Hill Senator(s) Kawasaki Representative(s) Hopkins

In Memoriam - Carla Sue Laakso Senator(s) Kawasaki

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

Unfinished Business

Senator Costello moved and asked unanimous consent to be excused from a call of the Senate from morning plane time, March 7 through evening plane time, March 11. Without objection, Senator Costello was excused.

Announcements

Announcements are at the end of the journal.

Adjournment

Senator Hughes moved and asked unanimous consent the Senate stand in adjournment until 11:00 a.m., February 8, 2022. Without objection, the Senate adjourned at 11:01 a.m.

> Liz Clark Secretary of the Senate

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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

Feb 08	Tuesday No Meeting Scheduled	Beltz 105 (tsbldg)	3:30 PM
Feb 10	Thursday No Meeting Scheduled	Beltz 105 (tsbldg)	3:30 PM

EDUCATION

Feb 04	Friday No Meeting Scheduled	Butrovich 205	9:00 AM
Feb 07 + +	Monday Consideration of Governor's A Spencer to University of Alast Presentation: "Update on COV	ka Board of Regents VID related impacts	9:00 AM
+	and funding in K-12 Educatio of Education and Early Develo Bills Previously Heard/Schedu **Streamed live on AKL.tv**	opment uled	
Feb 09	Wednesday No Meeting Scheduled	Butrovich 205	9:00 AM
Feb 11 += SB 34	Friday STATE-TRIBAL EDUCATIO	Butrovich 205 ON COMPACT SCHOO	9:00 AM DLS
+	Testimony <invitation only<br="">Bills Previously Heard/Schedu **Streamed live on AKL.tv**</invitation>	uled	

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FINANCE

Feb 04 + SB 164 +	Friday APPROP: CAP; REAPP Bills Previously Heard/S		9:00 AM
Feb 07 + +	Monday FY22 Operating Suppler Neil Steininger, Director Bills Previously Heard/S	of OMB	9:00 AM
Feb 07 += SB 33 +	Monday SEAFOOD PRODUCT Bills Previously Heard/S	Senate Finance 532 DEVELOPMENT TAX CRE cheduled	1:00 PM Dit
Feb 08 + +	Tuesday Economic Outlook Moody's Analytics Village Safe Water & W Department of Environm Bills Previously Heard/S		9:00 AM
Feb 08 += SB 72 + SB 80 +	Invited Testimony	ENTAL HEALTH EDUCAT me Limit May Be Set>	1:00 PM ION
+= SB 72 + SB 80	SEC. SCHOOL CIVICS PUBLIC SCHOOLS: M Invited Testimony Public Testimony <tir< th=""><th>EDUCATION ENTAL HEALTH EDUCAT me Limit May Be Set> icheduled Senate Finance 532</th><th></th></tir<>	EDUCATION ENTAL HEALTH EDUCAT me Limit May Be Set> icheduled Senate Finance 532	
+= SB 72 + SB 80 + Feb 09 +	SEC. SCHOOL CIVICS PUBLIC SCHOOLS: M Invited Testimony Public Testimony <tin Bills Previously Heard/S Wednesday Deferred Maintenance Neil Steininger, Director</tin 	EDUCATION ENTAL HEALTH EDUCAT me Limit May Be Set> cheduled Senate Finance 532 of OMB cheduled Senate Finance 532	ION

1734	SENATE	JOURNAL Februa	ary 4, 2022
	FINANCE	(continued)	
Feb 10 += SB 111 +		Senate Finance 532 READING INTERVENTIO epartment of Education & cheduled	1:00 PM On
Feb 11 + +	Friday Fiscal Scenarios Legislative Finance Divi Bills Previously Heard/S		9:00 AM
	HEALTH & SO	CIAL SERVICES	
Feb 08 += HB 133 +	Tuesday AK ED SAVINGS PRO Invited & Public Testi Bills Previously Heard/S	mony	1:30 PM
Feb 10 + +	Thursday Overview: EO 121: Dep Social Services Bifurcati Public Testimony Bills Previously Heard/S	on	1:30 PM
JUDICIARY			
Feb 04	Friday No Meeting Scheduled	Butrovich 205	1:30 PM
Feb 07	Monday No Meeting Scheduled	Butrovich 205	1:30 PM

- Feb 09WednesdayButrovich 2051:30 PM
- += SB 119 OATH OF OFFICE
- += HB 155 COURT SYSTEM PROVIDE VISITORS & EXPERTS
- += SB 129 ELECTION PAMPHLET INFORMATION RE: JUDGES
- += SB 23 INITIATIVE SEVERABILITY
 - -- Testimony <Invitation Only> --Bills Previously Heard/Scheduled

February 4, 2022

JUDICIARY (continued)

Feb 11	Friday	Butrovich 205	1:30 PM
+= SB 118	8 CMTE ON NULLIFICATIO	N OF FEDERAL LAWS	
	Public Testimony		
+= SB 23	INITIATIVE SEVERABILI	ГҮ	
	Invited & Public Testimon	y	
+= SB 31	PROHIBITING BINDING C	AUCUSES	
	Bills Previously Heard/Scheo	luled	

LABOR & COMMERCE

Feb + +=	04 SB 159	Friday Bills Previously Heard/Scl UNEMPLOYMENT BEN <bill hearing="" rescheduled<br="">**Streamed live on AKL.t</bill>	EFITS 1 from 02/02/22>	1:30 PM
Feb + +	07	Monday Presentation: Pacific North Bills Previously Heard/Scl **Streamed live on AKL.t	neduled	1:30 PM
Feb	09	Wednesday	Beltz 105 (tsbldg)	1:30 PM
+		DENTIST SPEC. LICENS		1.001111
	GD 140	Invited & Public Testim		
+	SB 143			
+	SB 151			OARD
		Invited & Public Testimony **Streamed live on AKL.tv**		
+		Bills Previously Heard/Sch		
Feb	11	Friday	Beltz 105 (tsbldg)	1:30 PM

No Meeting Scheduled

RESOURCES

Feb 04 + +	Friday MEETING CANCELED Alaska Department of Fish & Bills Previously Heard/Schedu **Streamed live on AKL.tv**	uled	3:30 PM te
Feb 07 + HB 28	Monday REGISTRATION OF BOATS Invited & Public Testimony Bills Previously Heard/Schedu **Streamed live on AKL.tv**	ıled	3:30 PM
Feb 09 +	Wednesday Consideration of Governor's A Cooney, Board of Game Consideration of Governor's A Nordlum, Big Game Commer Invited & Public Testimony Bills Previously Heard/Schedu **Streamed live on AKL.tv**	Appointees: Clay cial Services / uled	3:30 PM
Feb 11 +	Friday Bills Previously Heard/Schedu **Streamed live on AKL.tv**	:	3:30 PM

STATE AFFAIRS

Feb 08	Tuesday	Butrovich 205	3:30 PM
+= SB 147	ORGAN DONATION; ADL	RENEWAL	
+= SB 145	LEGISLATOR RETROACT	IVE PER DIEM	
+= SB 156	PROHIBIT COVID-19 VAC	CINE DISCRIMINATIO	ON
+= HB 148	ALASKA COORDINATE S	YSTEM OF 2022	
	Public Testimony < Time L	imit May Be Set>	
	**Streamed live on AKL.tv*	*	
+	Bills Previously Heard/Sched	uled	

STATE AFFAIRS (continued)

		Thursday	Butrovich 205	3:30 PM
+=	HB 123	STATE RECOGNITION OF	F TRIBES	
+=	SB 92	MISSING PERSONS UND	ER 21 YEARS OLD	
+=	SB 66	MEMBERS LEG COUNCI	L; LEG BUDGET & A	UDIT
+=	SB 167	ELECTIONS; FRAUD; BA	LLOTS	
		Public Testimony < Time I	Limit May be Set>	
		Bills Previously Heard/Sche	duled	
		**Streamed live on AKL.tv*	**	

TRANSPORTATION

Feb 08 + + SB 150	Tuesday Presentation: Regional In Accelerator Program and by Pacific North West Econo TRUCK DRIVER APPRI Invited & Public Testin Bills Previously Heard/Soc **Streamed live on AKL	Supply Chain Stability omic Region ECIATION DAY nony sheduled	1:30 PM
Feb 10 +	Thursday Consideration of Governo of Marine Pilots and DOT Michael O'Hara - Board of Les Cronk - Board of Ma Ryan Anderson - Commis Transportation Public Testimony **Streamed live on AKL.	Commissioner of Marine Pilots rine Pilots ssioner, Department of	1:30 PM

OTHER MEETINGS

JOINT SESSION

Feb 09	Wednesday	House Chamber	11:00 AM
	State of the Judiciary	Address by Chief Justice	
	Daniel E. Winfree	-	

Feb 22TuesdayHouse Chamber11:00 AMAnnual Address by Lisa Murkowski, U.S. Senator

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MISCELLANEOUS MEETINGS

Feb 08TuesdayButrovich 20512:00 PM

Presentation: Improving Food Access/Status of Hunger in Alaska Presenters: Cara Durr, Ron Meehan, Kate Paskievitch Organization: Food Bank of Alaska/Alaska Food Coalition Sponsored by: Senator Kawasaki