

SENATE JOURNAL

ALASKA STATE LEGISLATURE

FOURTEENTH LEGISLATURE - SECOND SESSION

JUNEAU, ALASKA

MONDAY

January 27, 1986

Fifteenth Day

Pursuant to adjournment, the Senate was called to order by President Bennett at 11:07 a.m.

The roll showed fifteen members present. Senators Eliason, Sackett and Zharoff were excused from a call of the Senate. Senators Abood and Rodey were absent.

The prayer was offered by the Chaplain, Reverend Cady of the Douglas Bible Church. Senator Josephson moved and asked unanimous consent that the prayer be spread. Without objection, it was so ordered.

"Let us pray,

Our precious heavenly Father, we thank You
for the privilege of serving You.

You've told us in Your word if any man
lacks wisdom, let him ask of God, Who
gives to all men liberally and abundantly
not.

There are many difficult challenges that
lie before this body this session and we
pray that You will give the needed wisdom
to deal with each of them as would please
You and would benefit the people of this
State. May we recognize that true wisdom
comes from You and so we pray each of these
folks, these men and these women, who labor
in the law would look to You for their
guidance and will thank You and praise You
in faith for what will be accomplished this
day.

In the name of Christ, our Saviour,

Amen"

The Pledge of Allegiance was recited.

Senator Halford moved and asked unanimous consent that the journals for the twelfth, thirteenth and fourteenth legislative days and Senate Supplement No. 45 be approved as certified by the Secretary. Without objection, it was so ordered.

MESSAGES FROM THE HOUSE

SCR 30

Message of January 24 was read, stating the House passed and returned:

SENATE CONCURRENT RESOLUTION NO. 30
(extending the existence of the joint
legislative committee on local option
elections)

SENATE CONCURRENT RESOLUTION NO. 30 was referred to the Secretary for enrollment.

Message of January 24 was read, stating the House passed and transmitted for consideration:

FIRST READING AND REFERENCE OF HOUSE BILLS

HB 322

HOUSE BILL NO. 322 by the Judiciary Committee, entitled:

"An Act relating to the use of information
from fingerprints of members of the Alaska
Bar Association."

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

HB 356

HOUSE BILL NO. 356 by Representatives Gruenberg, Taylor and Pettyjohn, entitled:

"An Act relating to assignment of group
life policies of insurance."

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

COMMUNICATIONS

The Secretary announced receipt of:

A REPORT ON NONPERMANENT AND EMERGENCY
EMPLOYMENT 1985, Annual Report
by Division of Personnel, January 1986
in accordance with AS 39.25.195(h)

Distributed to all Senators

ANNUAL REFORESTATION REPORT TO THE
LEGISLATURE
from Department of Natural Resources
in accordance with AS 41.17.320

Draft Regulations on Lay Midwives proposed
by the working group of lay midwives and
prepared by the Department of Health
and Social Services in accordance with
Chapter 33, SLA 1985

HISTORICAL AND PROJECTED OIL AND GAS
CONSUMPTION, January 1986
by Department of Natural Resources,
Division of Oil & Gas in accordance with
AS 38.05.183(d)

Distributed to all Senators

FIVE-YEAR OIL AND GAS LEASING PROGRAM,
January 1986
by Department of Natural Resources,
Division of Oil & Gas in accordance with
AS 38.05.180(b)

Distributed to all Senators

Senator Sturgulewski, Chairman moved and asked unanimous consent that the reports on Reforestation, Historical and Projected Oil and Gas Consumption and the Five-Year Oil and Gas Leasing Program be referred to the Resources Committee. Without objection, President Bennett referred the reports to the Resources Committee.

Copies of all reports are on file in the Office of the Secretary of the Senate.

Senator Rodey moved and asked unanimous consent that he and Senator Abood be shown present. Without objection, it was so ordered.

STANDING COMMITTEE REPORTS

SJR 29

The Rules Committee considered SENATE JOINT RESOLUTION NO. 29 (maintenance of essential air service to Cordova, Yakutat, Petersburg, Wrangell, and Gustavus, Alaska) and a majority of the committee recommended calendar January 27. The report was signed by Senator Kelly, Chairman and concurred in by Senators Faiks and Coghill.

SENATE JOINT RESOLUTION NO. 29 appears on today's calendar.

SB 331

The Rules Committee considered SPONSOR SUBSTITUTE FOR SENATE BILL NO. 331 (Winter Olympic funding; efd) and a majority of the committee recommended calendar January 27 with the following amendment:

Page 1, line 16: Delete "1992"
Insert "1996"

The report was signed by Senator Kelly, Chairman and concurred in by Senators Faiks and Coghill.

SPONSOR SUBSTITUTE FOR SENATE BILL NO. 331 appears on today's calendar.

INTRODUCTION AND REFERENCE OF SENATE BILLS

SB 363

SENATE BILL NO. 363 by the Judiciary Committee, entitled:

"An Act relating to Motion Picture Fair
Competition."

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

SB 364

SENATE BILL NO. 364 by Senator DeVries, entitled:

"An Act permitting the state to pay certain
untimely claims."

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

SB 365

SENATE BILL NO. 365 by the Rules Committee by request of the Governor, entitled:

"An Act providing that a broker is the agent of an insurer for payment of premium; and providing for an effective date."

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

Fiscal note is zero.

Governor's transmittal letter of January 27:

Dear Senator Bennett:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the authority of insurance brokers.

This bill will add a new AS 21.27.200(c), to provide that, for purposes of receiving payment of an insurance premium, a broker is legally considered an agent of the insurance company. Upon payment, the person who made the payment to the broker is immediately covered by the policy. This will be true even if the broker fails to forward the premium to the insurance company.

This bill will offer insureds greater protection against disreputable brokers who collect premiums and then fail to place the actual insurance coverage.

Sincerely,

/s/ Bill Sheffield

Bill Sheffield
Governor

SB 366

SENATE BILL NO. 366 by the Rules Committee by request of the Governor, entitled:

"An Act relating to cancellation of insurance policies."

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

SB 366 cont'd

Two zero fiscal notes were attached. Analysis from Department of Public Safety, Division of Motor Vehicles: "No financial impact for this insurance provision. The commercial vehicles' safety operations, Division of Motor Vehicles, upon receipt of funding in FY 87, is set to start inspections of commercial vehicles for safety compliance and financial responsibility. The fiscal note would aid the component in documenting insurance data on the commercial vehicles."

Governor's transmittal letter of January 27:

Dear Senator Bennett:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the situations under which insurance policies may be cancelled in mid-term. Briefly, the bill provides that before a commercial or business insurance policy may be cancelled by the insurer, the company must give 45 days' prior written notice to the insured, and this notice must include an explanation of the reasons for the cancellation. In this way, the insured will be given sufficient warning of the proposed action to allow the insured to procure alternative insurance before cancellation.

AS 21.36.210 -- 21.36.310 currently require insurers who place personal insurance, such as automobile or homeowner's coverage, to give an insured at least 10 days' prior written notice of mid-term cancellation of a policy. This bill reorganizes these sections, by shifting the current provisions of AS 21.36.300 (repealed in sec. 8 of the bill) to AS 21.36.210(d) (sec. 2 of the bill). Also, by the amendment of AS 21.36.210(f) (in sec. 3 of the bill) and the repeal of AS 21.36.210(e) (in sec. 8), the bill simply rearranges the relationship between those two subsections. These are technical changes.

The first significant change is the amendment of AS 21.36.220 (sec. 4 of the bill). New subsections (b) and (c) provide that an insurer must give at least 45 days' prior written notice of a cancellation of a business or commercial insurance policy, unless cancellation is for nonpayment of premium. In that case, only 10 days' prior written notice must be given (the current rule). In addition, the insurer must return any unearned premium before the effective date of cancellation, or within 45 days after notice of cancellation, if cancellation is for a nonpayment of premium. Section 5 of the bill then proposes the amendment of AS 21.36.240 to provide similar notice requirements before an insurer may refuse to renew a policy.

SB 366 cont'd

This bill is designed to provide Alaskan insureds with adequate prior notice of any cancellation of insurance, so that they may procure alternative insurance before expiration of the policy being cancelled. I urge your support of and prompt action on this measure.

Sincerely,

/s/ Bill Sheffield

Bill Sheffield
Governor

CONSIDERATION OF THE CALENDAR

SECOND READING OF SENATE BILLS

SB 331

SPONSOR SUBSTITUTE FOR SENATE BILL NO. 331 (Winter Olympic funding; efd) was read the second time.

Senator Kelly moved and asked unanimous consent for the adoption of the Finance Committee Substitute offered on page 1615. Without objection, CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 331 FIN was adopted.

CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 331 FIN was read the second time.

Senator Kelly moved and asked unanimous consent for the adoption of the Rules Committee amendment offered on page 1642. Without objection, Amendment No. 1 was adopted.

Senator Halford moved and asked unanimous consent that CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 331 FIN am be considered engrossed, advanced to third reading and placed on final passage. Without objection, it was so ordered.

CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 331 FIN am was read the third time.

The question being: "Shall CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 331 FIN am (Winter Olympic funding; efd) pass the Senate?" The roll was taken with the following result:

SB 331 cont'd

CS SSSB 331 FIN AM 3RD

Yeas: 18 Abood, Bennett, Coghill, DeVries,
Fahrenkamp, Faiks, Ferguson,
Fischer Paul, Fischer Vic,
Halford, Josephson, Kelly,
Kerttula, Ray, Rodey,
Sturgulewski, Zharoff, Ziegler

Nays: 0

Excused: 2 Eliason, Sackett

and so, CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 331
FIN am passed the Senate.

Senator Halford moved and asked unanimous consent that the
vote on the passage of the bill be considered the vote on
the effective date clauses. Without objection, it was so
ordered.

CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 331 FIN am was
referred to the Secretary for engrossment.

SECOND READING OF SENATE RESOLUTIONS

SJR 29

SENATE JOINT RESOLUTION NO. 29 (maintenance of essential air
service to Cordova, Yakutat, Petersburg, Wrangell, and
Gustavus, Alaska) was read the second time.

Senator Halford moved and asked unanimous consent that
SENATE JOINT RESOLUTION NO. 29 be considered engrossed,
advanced to third reading and placed on final passage.
Without objection, it was so ordered.

SENATE JOINT RESOLUTION NO. 29 was read the third time.

The question being: "Shall SENATE JOINT RESOLUTION NO. 29
(maintenance of essential air service to Cordova, Yakutat,
Petersburg, Wrangell, and Gustavus, Alaska) pass the
Senate?" The roll was taken with the following result:

SJR 29 cont'd

SJR 29 3RD

Yeas: 18 Abood, Bennett, Coghill, DeVries,
Fahrenkamp, Faiks, Ferguson,
Fischer Paul, Fischer Vic,
Halford, Josephson, Kelly,
Kerttula, Ray, Rodey,
Sturgulewski, Zharoff, Ziegler

Nays: 0

Excused: 2 Eliason, Sackett

and so, SENATE JOINT RESOLUTION NO. 29 passed the Senate and was referred to the Secretary for engrossment.

CITATIONS

Honoring - Rose Palmquist
by Representatives Clocksin, Szymanski, Uehling,
Pearce, Rieger, Collins, Furnace, Hurley, Larson,
Cato, Pignalberi, Martin, M.M. Miller, Gruenberg,
Hanley, Jenkins and Cotten
Senators Vic Fischer, Bennett, Kelly, Ziegler,
Ray, Sturgulewski, Faiks, DeVries, Abood,
Josephson, Fahrenkamp, Kerttula, Paul Fischer,
Ferguson, Rodey, Coghill, Zharoff and Halford

Honoring - East High School "Thunderbirds"
Football Team
by Representatives Martin, Pourchot, Furnace,
and Cotten
Senators Kelly, Halford, Sturgulewski, Faiks,
DeVries, Vic Fischer and Josephson

Honoring - Ben Ballenger
by Senators Zharoff and Halford
Representative Thompson

In Memoriam - Andrew P. Johnson
by Senators Eliason, Ziegler, DeVries, Ray,
Coghill and Kerttula
Representatives Grussendorf and Adams

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

UNFINISHED BUSINESS

The President appointed two public members to the CITIZEN'S ADVISORY COMMISSION ON FEDERAL AREAS IN ALASKA in accordance with AS 41.37.040:

Art Kennedy
Robert Bettisworth

ANNOUNCEMENTS

Announcements appear at the end of the journal.

ENGROSSMENT

SB 331

CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 331 FIN am was engrossed, signed by the President and Secretary and transmitted to the House for consideration.

SJR 29

SENATE JOINT RESOLUTION NO. 29 was engrossed, signed by the President and Secretary and transmitted to the House for consideration.

ENROLLMENT

SCR 30

SENATE CONCURRENT RESOLUTION NO. 30 was enrolled, signed by the President and Secretary, Speaker and Chief Clerk and the engrossed and enrolled copies transmitted to the Office of the Governor at 8:20 a.m., January 27, 1986.

ADJOURNMENT

Senator Halford moved and asked unanimous consent that the Senate adjourn until 11:00 a.m., January 28, 1986. Without objection, the Senate adjourned at 11:32 a.m.

Peggy Mulligan
Secretary of the Senate

January 1986

ANNOUNCEMENTS

Committee meetings in the Capital

* Change in time or place*

COMMUNITY & REGIONAL AFFAIRS - BELTZ ROOM 211 - 3:30 PM

Jan 28 TUESDAY
BRIEFING AUDIT & GRANT REGS BY DEPT ED, OMB, & ADMIN
& PROPOSED GRANT REG. BY DEPT OF ED., OMB & ADMIN.

Jan 30 THURSDAY
HB 186 ANCHORAGE COASTAL WILDLIFE REFUGE
WORK SESSION ON LOCAL BOUNDARY COMMISSION RPT

Feb 04 TUESDAY *3:00 PM CAPITAL RM 17
LOCAL BOUNDARY COMMISSION *JOINT WITH HOUSE C&RA

Feb 06 THURSDAY *3:00 PM CAPITOL RM 17
LOCAL BOUNDARY COMMISSION *JOINT WITH HOUSE C&RA

FINANCE - FINANCE ROOM 518 - 8:30 AM

Jan 28 TUESDAY
SB 8 PERSONAL SAFETY CURRICULUM IN PUBLIC SCHOOLS
SB 201 PUBLIC ACCESS FUND
SB 204 ARCHIT, ENGINEERING, SURVEYING CONTRACT RQMTS
SB 227 LICENSING SOCIAL WORKERS
SB 275 MOTOR VEHICLE RECORDS

Jan 30 THURSDAY
DISCUSSION ON LEGISLATION RELATING TO THE
PERMANENT FUND WITH GOV. HAMMOND

HEALTH, EDUCATION & SOCIAL SERVICES - BELTZ RM 211 - 1:30 PM

Jan 28 TUESDAY
OVERVIEW STATE'S STUDENT LOAN PROGRAM
SCR 29 FEBRUARY COMMUNITY COLLEGE MONTH

Jan 30 THURSDAY
PRESENTATION BY GOVERNOR'S COUNCIL FOR THE
HANDICAPPED AND GIFTED
BRIEFING BY THE DEPT OF HEALTH & SOCIAL
SERVICES - AIDS PREVENTION

JUDICIARY - BUTROVICH ROOM 205 - 1:30 PM

Jan 28 TUESDAY
SB 69 REGULATING SALE OF ALCOHOLIC BEVERAGES
SB 194 CERTIFICATION OF WATER SYSTEM OPERATORS
SB 95 SAFETY OF DAMS AND RESERVOIRS

Feb 1 SATURDAY *10:00 AM ANCHORAGE LIO
SJR 9 ELECTION OF THE ATTORNEY GENERAL

RESOURCES - BUTROVICH ROOM 205 - 1:30 PM

Jan 27 MONDAY
BRIEFING COOK INLET ROYALTY GAS - POSTPONED TO 2/10
SB 150 WATER RIGHTS UNDER THE AK WATER USE ACT
SB 164 FISH PROCESSOR BUYER SURETY BOND
**2:30 ADJOURN TO SENATE FINANCE RM JOINTLY WITH
HOUSE RESOURCES OVERVIEW ON FORESTRY

Jan 29 WEDNESDAY
RAILBELT OVERVIEW BY APA
SB 338 REAPPROPRIATING SUSITNA BRADLEY POWER MONEY
SB 123 POWER DEVELOPMENT FUND & APA REPORT

Jan 31 FRIDAY
SB 349 REORGANIZATION OF DELTA PROJECT DEBT
2:00 ARCTIC RESEARCH COMMISSION OVERVIEW

STATE AFFAIRS - BUTROVICH ROOM 205 - 9:00 AM

Jan 28 TUESDAY
 SCR 12 STATE TREASURER ESTABLISHED
 SB 148 ESTABLISHING OFFICE STATE TREASURER
 *TELECONFERENCE

Jan 29 WEDNESDAY
 WORK SESSION - RELATING TO CAMPAIGN FINANCING
 *TELECONFERENCE

Jan 30 THURSDAY
 CONFIRMATION HEARINGS
 COMMISSIONER WUNNICKE AND COMMISSIONER ANDREWS
 SJR 31 SUMMIT MEETING IN ALASKA

Jan 31 FRIDAY
 WORK SESSION - RELATING TO CAMPAIGN FINANCING

TRANSPORTATION - BUTROVICH ROOM 205 - 3:30 PM

Jan 27 MONDAY
 PRESENTATION FEDERAL MONEY DOT

Jan 29 WEDNESDAY
 SJR 30 KOREAN AIRLINES PASSENGER SERVICE
 HB 111 LOCAL SERVICE ROADS AND TRAILS
 *TELECONFERENCE TO FBX AND ANCH

Jan 31 FRIDAY NO MEETING

FINANCE SUBCOMMITTEE

*Joint with House subcommittee unless otherwise noted

DEPARTMENT OF ADMINISTRATION - HOUSE FINANCE RM - 1:00 PM

Feb 6 THURSDAY
 COMMISSIONER'S OFF; ADMIN SV; TELECOMMUNICATIONS;
 INFOR RES MNGMT; PUBLIC BROADCASTING COMM

Feb 11 TUESDAY
 RISK MANAGEMENT

Feb 13 THURSDAY
 ADMIN MNGMT; FINANCE; GEN SV & SUPPLY;
 CIP DIRECT; PUBLIC DEFENDER; PUBLIC ADVOCATE;
 PUBLIC OFFICES COMM

Feb 25 TUESDAY
 HUMAN RES - PERSONNEL; RETIREMENT & BENEFITS;
 LABOR RELATIONS AGENCY; PIONEER BENEFITS

Mar 6 THURSDAY
 OLDER ALASKANS COMMISSION; LABOR RELATIONS DIV

Mar 11 TUESDAY
 WORK SESSION (IF NEEDED)

DEPARTMENT OF CORRECTIONS - SENATE FINANCE RM - 3:30 PM

Jan 28 TUESDAY *SENATE ONLY
 FACILITIES AND CAPITAL IMPROVEMENTS;
 ADMIN AND SUPPORT

Jan 30 THURSDAY *SENATE ONLY
 STATEWIDE PROGRAMS

Feb 4 TUESDAY *SENATE ONLY
 NORTHERN, SOUTH CENTRAL AND SE REGIONS

DEPARTMENT OF FISH AND GAME - HOUSE FINANCE RM - 1:00 PM

Feb 4 TUESDAY
 ADMINISTRATION AND SUPPORT; SUBSISTENCE DIV

Feb 18 TUESDAY
 COMMERCIAL FISHERIES; VESSELS; SPORT FISH

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DEPARTMENT OF FISH AND GAME cont'd

Feb 20 THURSDAY
FRED

Feb 27 THURSDAY
GAME; HABITAT

Mar 4 THURSDAY
BOARDS OF FISH AND GAME;
COMMERCIAL FISHERIES ENTRY COMM

DEPARTMENT OF RESOURCES - 431 NO. FRANKLIN ST - 2:00 PM

Jan 28 TUESDAY *SENATE ONLY
OIL AND FORESTRY COMPONENTS

Jan 30 THURSDAY *SENATE ONLY
OIL AND FORESTRY COMPONENTS

DEPARTMENT OF REVENUE - SENATE FINANCE RM - 7:30 AM

Jan 29 WEDNESDAY *HOUSE FINANCE RM
COMMISSIONER'S OFF; ADMIN SV DIV; SHARED TAXES

Jan 30 THURSDAY *5:00 PM SENATE FINANCE RM
MEETING WITH ABC MEMBERS

Jan 31 FRIDAY *HOUSE FINANCE RM
AUDIT DIV; ENFORCEMENT DIV

