

# HOUSE JOURNAL

## ALASKA STATE LEGISLATURE

### TWENTY-SECOND LEGISLATURE -- FIRST SESSION

Juneau, Alaska

Friday

February 23, 2001

#### Forty-seventh Day

Pursuant to adjournment the House was called to order by Speaker Porter at 10:04 a.m.

Roll call showed 31 members present. Representatives Guess, Halcro, Hayes, Joule, Kohring, and Morgan had been previously excused from a call of the House today. Representatives Kerttula and Mulder were absent and their presence was noted later.

Representative James moved and asked unanimous consent that Representative Kookesh be excused from a call of the House from today to 8:00 a.m., February 24, 2001. There being no objection, it was so ordered.

The invocation was offered by the Chaplain Grace Elliott of the Juneau Baha'i Community. Representative Hudson moved and asked unanimous consent that the invocation be spread on the journal. There being no objection, it appears below:

O Thou merciful God! O Thou who art mighty and powerful!  
O Thou most kind Father! These servants have gathered  
together, turning to Thee, supplicating Thy threshold, desiring  
Thine endless bounties from Thy great assurance. They have  
no purpose save Thy good pleasure. They have no intention  
save service to the world of humanity.

O God! Make this assemblage radiant. Make the hearts  
merciful. Confer the bounties of the Holy Spirit. Endow  
them with a power from heaven. Bless them with heavenly  
minds. Increase their sincerity, so that with all humility and  
contrition they may turn to Thy kingdom and be occupied  
with service to the world of humanity. May each one become

a radiant candle. May each one become a brilliant star. May each one become beautiful in color and redolent of fragrance in the Kingdom of God.

O kind Father! Confer Thy blessings. Consider not our shortcomings. Shelter us under Thy protection. Remember not our sins. Heal us with Thy mercy. We are weak; Thou art mighty. We are poor; Thou art rich. We are sick; Thou art the Physician. We are needy; Thou art most generous.

O God! Endow us with Thy providence. Thou art the Powerful. Thou art the Giver. Thou art the Beneficent. 'Abdu'l-Baha'

The Pledge of Allegiance was led by Representative Davies.

#### **CERTIFICATION OF THE JOURNAL**

Representative James moved and asked unanimous consent that the journal for the 45th and 46th legislative days and Senate and House Joint Journal Supplement No. 4 be approved as certified by the Chief Clerk. There being no objection, it was so ordered.

#### **MESSAGES FROM THE SENATE**

A message dated February 21, 2001, was read stating the Senate has accepted the invitation to meet in joint session February 28 at 11:00 a.m. for the purpose of hearing Chief Justice Dana Fabe's State of the Judiciary address.

A message dated February 22, 2001, was read stating the Senate has passed the following, and it is transmitted for consideration:

#### **FIRST READING AND REFERENCE OF SENATE BILLS**

##### **SB 16**

CS FOR SENATE BILL NO. 16(RLS) by the Senate Rules Committee, entitled:

"An Act regarding oil discharge prevention and cleanup involving self-propelled nontank vessels exceeding 400 gross registered tonnage and railroad tank cars and related facilities and operations and requiring preparation and implementation of oil discharge contingency plans for those nontank vessels and railroad tank cars; amending the definition of 'response action' that relates to releases or threatened releases of oil and thereby amending the duties and liabilities of response action contractors; authorizing compliance verification for nontank vessels and for trains and related facilities and operations; and providing for an effective date."

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

### COMMUNICATIONS

The following was received:

Dept. of Community & Economic Development  
Division of Community & Business Development  
Alaska Taxable 2000  
Municipal Taxation - Rates and Policies  
Full Value Determination  
Population and G.O. Bonded Debt  
January, 2001

### REPORTS OF STANDING COMMITTEES

#### HJR 10

The Resources Committee has considered:

HOUSE JOINT RESOLUTION NO. 10  
Relating to the management of the Bering Sea/Aleutian Islands  
and Gulf of Alaska groundfish fisheries and the protection and  
restoration of the Steller sea lion.

and recommends it be replaced with:

CS FOR HOUSE JOINT RESOLUTION NO. 10(FSH)  
(same title)

The report was signed by Representatives Scalzi and Masek, Co-chairs, with the following individual recommendations:

Do pass (9): Kapsner, Kerttula, Fate, McGuire, Green, Chenault, Stevens, Scalzi, Masek

The following fiscal note(s) apply to CSHJR 10(FSH):

1. Zero, House Special Committee on Fisheries

HJR 10 was referred to the Rules Committee for placement on the calendar.

### **HB 24**

The Community & Regional Affairs Committee has considered:

HOUSE BILL NO. 24

"An Act relating to use of certain borough revenues for a tourism marketing campaign."

and recommends it be replaced with:

CS FOR HOUSE BILL NO. 24(EDT)

"An Act relating to use of borough revenues from a sales tax levied upon room rentals for a tourism marketing campaign."

The report was signed by Representatives Meyer and Morgan, Co-chairs, with the following individual recommendations:

Do pass (7): Scalzi, Halcro, Murkowski, Guess, Kerttula, Meyer, Morgan

The following fiscal note(s) apply to CSHB 24(EDT):

1. Zero, Dept. of Community & Economic Development

HB 24 was referred to the Rules Committee for placement on the calendar.

**HB 37**

The Health, Education & Social Services Committee has considered:

HOUSE BILL NO. 37

"An Act relating to reimbursement of certain student loans; and providing for an effective date."

and recommends it be replaced with:

CS FOR HOUSE BILL NO. 37(EDU)

"An Act relating to forgiveness of certain student loans; and providing for an effective date."

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

Do pass (4): Kohring, Wilson, Cissna, Stevens

No recommendation (2): Coghill, Dyson

The following fiscal note(s) apply to CSHB 37 (EDU):

1. Fiscal, Dept. of Education & Early Development

HB 37 was referred to the Finance Committee.

**HB 90**

The Finance Committee has considered:

HOUSE BILL NO. 90

"An Act relating to reimbursement of municipal bonds for school construction; and providing for an effective date."

and recommends it be replaced with:

CS FOR HOUSE BILL NO. 90(FIN)  
(same title)

The report was signed by Representatives Mulder and Williams, Co-chairs, with the following individual recommendations:

Do pass (10): Bunde, Whitaker, Harris, Davies, Moses, Lancaster, Hudson, Foster, Mulder, Williams

The following fiscal note(s) apply to CSHB 90(FIN):

1. Zero, Dept. of Education & Early Development

HB 90 was referred to the Rules Committee for placement on the calendar.

**HB 102**

The Judiciary Committee has considered:

HOUSE BILL NO. 102

"An Act relating to the theft of propelled vehicles."

and recommends it be replaced with:

CS FOR HOUSE BILL NO. 102(JUD)

(same title)

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

Do pass (3): Meyer, Ogan, Rokeberg

No recommendation (3): Berkowitz, Coghill, Kookesh

The following fiscal note(s) apply to CSHB 102(JUD):

1. Zero, Alaska Court System
2. Indeterminate, Dept. of Corrections

HB 102 was referred to the Rules Committee for placement on the calendar.

**HB 118**

The Community & Regional Affairs Committee has considered:

## HOUSE BILL NO. 118

"An Act relating to a mandatory exemption from municipal taxes on certain residences; and providing for an effective date."

The report was signed by Representatives Morgan and Meyer, Co-chairs, with the following individual recommendations:

Do pass (6): Scalzi, Murkowski, Guess, Kerttula, Morgan, Meyer

The following fiscal note(s) apply:

1. Zero, Dept. of Community & Economic Development

HB 118 was referred to the Rules Committee for placement on the calendar.

**HB 119**

The Labor & Commerce Committee has considered:

## HOUSE BILL NO. 119

"An Act exempting joint action agencies from regulation by the state or municipalities; relating to the relationship between a joint action agency and the public utilities that form the joint action agency; relating to powers and immunities of a joint action agency; requiring filing of the joint action agency agreement; relating to the financial affairs of a joint action agency; declaring certain joint action agencies to be political subdivisions for certain purposes; relating to liability and indemnification of officers, employees, and agents of joint action agencies; and defining 'agency agreement' as used with reference to joint action agencies."

and recommends it be replaced with:

## CS FOR HOUSE BILL NO. 119(L&amp;C)

"An Act exempting certain joint action agencies from regulation by the state or municipalities; relating to the relationship between certain joint action agencies and the public utilities that form the joint action agencies; relating to powers and immunities of certain joint action agencies; requiring filing of certain joint action agency

agreements; relating to the financial affairs of certain joint action agencies; declaring certain joint action agencies to be political subdivisions for certain purposes; relating to liability and indemnification of officers, employees, and agents of certain joint action agencies; and defining 'agency agreement' and 'parties to the agency agreement' as used with reference to certain joint action agencies."

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

Do pass (5): Kott, Crawford, Hayes, Meyer, Murkowski

No recommendation (2): Halcro, Rokeberg

The following fiscal note(s) apply to CSHB 119(L&C):

1. Zero, Dept. of Community & Economic Development
2. Zero, Dept. of Community & Economic Development

HB 119 was referred to the Judiciary Committee.

#### **SJR 6**

The Finance Committee has considered:

CS FOR SENATE JOINT RESOLUTION NO. 6(FIN)  
Urging the Congress of the United States to provide federal education funds as a block grant to the state.

and recommends it be replaced with:

HOUSE CS FOR CS FOR SENATE JOINT RESOLUTION NO.  
6(FIN)  
(same title)

The report was signed by Representative Williams, Co-chair, with the following individual recommendations:



Do pass (9): Bunde, Whitaker, Harris, Davies, Moses, Lancaster, Hudson, Foster, Williams

The following fiscal note(s) apply to HCS CSSJR 6(FIN):

1. Zero, Senate Finance Committee/Dept. of Education & Early Development

CSSJR 6(FIN) was referred to the Rules Committee for placement on the calendar.

**SJR 8**

The State Affairs Committee has considered:

CS FOR SENATE JOINT RESOLUTION NO. 8(STA)  
Relating to supporting polling places at military installations.

and recommends it be replaced with:

HOUSE CS FOR CS FOR SENATE JOINT RESOLUTION NO.  
8(MLV)  
(same title)

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

Do pass (7): Wilson, Stevens, Crawford, James, Fate, Hayes, Coghill

The following fiscal note(s) apply to HCS CSSJR 8(MLV):

1. Zero, Senate State Affairs Committee

CSSJR 8(STA) was referred to the Rules Committee for placement on the calendar.

\*\*The presence of Representative Kerttula was noted.

**SB 9**

The Finance Committee has considered:

## CS FOR SENATE BILL NO. 9(L&amp;C)

"An Act extending the termination date of the State Board of Registration for Architects, Engineers, and Land Surveyors; relating to the temporary member of that board; and providing for an effective date."

The report was signed by Representatives Mulder and Williams, Co-chairs, with the following individual recommendations:

Do pass (7): Bunde, Whitaker, Croft, Davies, Lancaster, Hudson, Williams

No recommendation (1): Mulder

A Finance Committee letter of intent for CSSB 9(L&C), signed by Representatives Williams and Mulder, Co-chairs, appears below:

"It is the intent of the House Finance Committee that the State Board of Registration for Architects, Engineers and Land Surveyors submit a written report to the Legislature no later than February 15, 2002 on the following outstanding issues:

- Continuing Professional Education: The Board shall report the progress it has made to develop continuing professional education requirements for each of the professions. If the Board intends to mandate continuing education, the report should include a timeline to illustrate when those requirements will go into effect.
- Licensure of architects by comity: The Board shall report if it intends to modify the current board practice of requiring all candidates for licensure to hold a certificate of qualification issued by the National Board of Architectural Registration Board.

The board shall also include an assessment, with input from the affected membership, if the current educational requirements for certification by the National Board of Architectural Registration Board are necessary to meet minimum qualifications for licensure in the State of Alaska.

The report shall include any suggested statutory modifications necessary to implement the board's recommended actions."

The following fiscal note(s) apply:

2. Fiscal, House Finance Committee/Dept. of Community & Economic Development

CSSB 9(L&C) was referred to the Rules Committee for placement on the calendar.

### REPORTS OF SPECIAL COMMITTEES

#### **HB 98**

The House Special Committee on Military & Veterans' Affairs has considered:

HOUSE BILL NO. 98

"An Act relating to the award of a high school diploma to certain World War II veterans."

and recommends it be replaced with:

CS FOR HOUSE BILL NO. 98(MLV)  
(same title)

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

Do pass (5): Murkowski, Hayes, Green, Kott, Chenault

The following fiscal note(s) apply to CSHB 98(MLV):

1. Zero, Dept. of Education & Early Development

HB 98 was referred to the Health, Education & Social Services Committee.

**SJR 9**

The House Special Committee on Military & Veterans' Affairs has considered:

## SENATE JOINT RESOLUTION NO. 9

Relating to the development and deployment of the National Missile Defense System.

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

Do pass (4): Murkowski, Green, Kott, Chenault

The following fiscal note(s) apply:

1. Zero, Senate State Affairs Committee

SJR 9 was referred to the Rules Committee for placement on the calendar.

**INTRODUCTION OF CITATIONS**

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

Honoring - Kari Wise, Justin Gonka, Jacob Fuller

By Representatives Porter, Guess, Rokeberg; Senators Donley, Ellis, Pearce

Honoring - 2000 Eagle Scouts, Christopher Michael Thomas, Brian Scott Fairchild, Daniel Christian Peterson

By Representatives Hudson, Kerttula; Senator Elton

Honoring - Southeast Alaska Eagle Scouts

By Representative Wilson; Senator Taylor

Honoring - Bob & Betty Allen

By Senator Taylor

Honoring - Dr. Paul Eneboe, Homer Chamber of Commerce, 2000  
Citizen of the Year  
By Senator Torgerson

Honoring - Maritime Helicopters, Homer Chamber of Commerce,  
Outstanding Business of the Year 2000  
By Senator Torgerson

Commemorating - Women in History Month  
By Senator Davis

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

**HCR 6**

HOUSE CONCURRENT RESOLUTION NO. 6 by Representatives  
Kapsner and Dyson:

Requesting the Governor to declare March 18 - 24, 2001, to be  
Inhalants and Poisons Awareness Week.

was read the first time and referred to the Health, Education & Social  
Services Committee.

**HCR 7**

HOUSE CONCURRENT RESOLUTION NO. 7 by Representatives  
Meyer, Guess, Croft, and Dyson:

Relating to proclaiming April 2001 as Sexual Assault Awareness  
Month.

was read the first time and referred to the Health, Education & Social  
Services Committee.

**HJR 17**

HOUSE JOINT RESOLUTION NO. 17 by Representatives Hayes and  
Foster:

Urging the President of the United States and the Congress to act  
to ensure that federal agencies do not retain records relating to

lawful purchase or ownership of firearms gathered through the Brady Handgun Bill instant check system.

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

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

**HB 22**

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 22 by Representative Kerttula, entitled:

"An Act relating to certain passenger vessels operating in the marine waters of the state; and providing for an effective date."

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

**HB 137**

HOUSE BILL NO. 137 by the House Special Committee on Military and Veterans' Affairs, entitled:

"An Act relating to records of veterans of the armed forces; and providing for an effective date."

was read the first time and referred to the House Special Committee on Military and Veterans' Affairs and the Resources Committee.

**HB 138**

HOUSE BILL NO. 138 by the House Rules Committee by request of the Governor, entitled:

"An Act relating to the delay of the reduction of supplementary public school funding; and providing for an effective date."

was read the first time and referred to the House Special Committee on Education, and the Health, Education & Social Services, and Finance Committees.

The following fiscal note(s) apply:

1. Fiscal, Dept. of Education & Early Development

The Governor's transmittal letter dated February 20, 2001, appears below:

"Dear Speaker Porter:

Caring about Alaska's students means caring about ALL students, regardless of where they live and go to school. Allocation of public school funding must be equitable, not competitive. This bill I transmit today suspends a provision that created divisiveness in our school funding formula by limiting the funding for enrollment increases in primarily rural districts. The suspension will be in place pending a comprehensive statewide review of educational costs and specific recommendations to the legislature to make any necessary adjustments to the formula.

This legislation is built on the recommendations of the Education Funding Task Force. The current funding formula, which became effective beginning with the 1998 - 1999 school year, was a major departure from the previous school foundation formula and resulted in a substantial reallocation of funding from the regional educational attendance areas in rural Alaska to the urban school districts of the state. To mitigate the loss of funding to these rural districts, the formula provided a supplementary funding floor to hold those districts harmless from a decrease in funding at 1999 enrollment levels. At the same time, a school district with a funding floor that has an increase in enrollment from 1999 is eligible for only 60% of the increased funding entitlement. This formula makes the patently unjust statement that a rural student deserves less school funds than an urban student.

Under this bill, all school districts are eligible for 100% of the school funding calculated under the state funding formula for increased enrollment until fiscal year 2004. During this time, the Department of Education & Early Development will contract to devise a method for determining and updating district cost factors using information on the cost of providing educational services. I will seek additional funds in my fiscal year 2002 amended budget for this study.

This legislation is an investment in Alaska's future. I urge your prompt and favorable action on this bill.

Sincerely,  
/s/  
Tony Knowles  
Governor"

**HB 139**

HOUSE BILL NO. 139 by the House Rules Committee by request of the Governor, entitled:

"An Act relating to increasing the base student allocation and the maximum amount of quality school funding grants for public schools; and providing for an effective date."

was read the first time and referred to the House Special Committee on Education, and the Health, Education & Social Services, and Finance Committees.

The following fiscal note(s) apply:

1. Fiscal, Dept. of Education & Early Development

The Governor's transmittal letter dated February 20, 2001, appears below:

"Dear Speaker Porter:

A new investment in education is necessary as the next step toward school excellence in Alaska. This bill I transmit today takes that step by increasing the per student allocation in school funding as well as the quality schools grants.

This legislation is built on the recommendations of the Education Funding Task Force that identified specific initiatives and programs over a five-year period to improve student achievement in Alaska. The legislation increases the base student allocation in the funding formula in the first year by \$115 per student, from the current \$3,940 to \$4,055. The base student allocation will increase approximately



\$63 per year in each of the remaining four years of the plan. These increases will help provide the resources to ensure that all of Alaska's children have opportunities to meet the high academic standards we all know are necessary to succeed in today's world.

The base student allocation increase is just one piece of a funding commitment we need to achieve academic excellence in our schools. Another piece is raising the quality schools grant, which this bill proposes, from \$16 to \$65 per average daily membership. The Legislature last year provided one-time funding for learning opportunity grants. Improvement in student performance requires a continuous commitment of resources so that all students meet high academic standards. By providing the additional support through the quality schools grant, Alaskans can be assured the money will go to support student success in a standards-based instructional program.

This legislation is an investment in our children and Alaska's future. If we are serious about preparing all of our children for the workforce and the challenges of this new century, we must provide the resources for students to meet high academic standards and to hold schools accountable for their students' performance. I urge your prompt and favorable action on this bill.

Sincerely,  
/s/  
Tony Knowles  
Governor"

**HB 140**

HOUSE BILL NO. 140 by Representative Chenault, entitled:

"An Act relating to gamma-Hydroxybutyrate."

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

**HB 141**

HOUSE BILL NO. 141 by Representative James, entitled:

"An Act relating to registration fees for certain leased motor vehicles."

was read the first time and referred to the State Affairs and Finance Committees.

**HB 142**

HOUSE BILL NO. 142 by the House Rules Committee by request of the Governor, entitled:

"An Act relating to the Alaska temporary assistance program; and providing for an effective date."

was read the first time and referred to the Health, Education & Social Services and Finance Committees.

The following fiscal note(s) apply:

1. Zero, Dept. of Health & Social Services

The Governor's transmittal letter dated February 21, 2001, appears below:

"Dear Speaker Porter:

Five years ago my Administration worked with the Legislature to create a new welfare law for Alaska. Under the banner of welfare reform, we repealed the Aid to Families with Dependent Children and Job Opportunity and Basic Skills programs and created the Alaska Temporary Assistance Program (ATAP). We have had great success with the program, with more Alaskans transitioning from welfare to work and our caseload dropping by more than 40 percent. Like many other states addressing welfare reform, we recognize what changes are needed to improve our program administration and ensure its continued success. These changes are addressed in the bill I transmit today.

The bill repeals the percentage limit on the number of families that may continue on assistance for more than 60 months due to hardship. Removal of this limit will permit the Department of Health and Social

Services to base its hardship exceptions on objective criteria rather than on a fixed percentage of overall caseload. As families are successful in finding work and the overall caseload decreases, the number of hardship cases makes up a greater percentage of the total.

Alaska set an extremely aggressive goal, compared to other states, in capping our hardship cases at a specific percentage of the total. Other states either avoided time limits completely or set a broader range of exemptions to the limits. We now recognize the fixed percentage in our law artificially bars needy families with disabled adults from receiving essential cash assistance and services for their children. The first families will begin to exceed the 60-month lifetime limit in July of 2002.

The bill also addresses the seasonal reduction provisions for a two-parent needy family by removing outdated eligibility requirements as cited in a Superior Court ruling. This change permits the department to apply the seasonal reduction provision to all two-parent needy families in which both parents are physically and mentally able to work.

Finally, the bill requires disabled parents to have self-sufficiency plans. The state can better serve these parents by promoting their efforts toward self-sufficiency.

We have seen dramatic, positive changes for poor Alaska families. Thousands of recipients have been assisted into work and the state has saved millions of dollars in welfare benefit payments. The reform measures provided a durable framework for a new era of welfare in Alaska. I urge your favorable consideration for these improvements to the program.

Sincerely,

/s/

Tony Knowles  
Governor"

**HB 143**

HOUSE BILL NO. 143 by Representative Murkowski, entitled:

"An Act relating to the deoxyribonucleic acid (DNA) identification registration system."

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

**HB 144**

HOUSE BILL NO. 144 by Representatives Lancaster, Scalzi, Chenault, James, Kapsner, and Moses, entitled:

"An Act requiring nonresident hunters to be accompanied when hunting moose; and providing for an effective date."

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

\*\*The presence of Representative Mulder was noted.

**HB 145**

HOUSE BILL NO. 145 by the House Rules Committee by request of the Governor, entitled:

"An Act making a civil remedy available to the state or a municipality against persons who make false claims for, or certain misrepresentations regarding, state or municipal money or other property; and providing for an effective date."

was read the first time and referred to the Community & Regional Affairs and Judiciary Committees.

The following fiscal note(s) apply:

1. Zero, Dept. of Law

The Governor's transmittal letter dated February 22, 2001, appears below:

"Dear Speaker Porter:

This bill I transmit today would fill a gap in our statutory law by providing general authority for the civil prosecution of a person who makes a false claim for, or a misrepresentation regarding, money or

property against the state or a municipality. The public needs some way of ensuring that persons who make demands on the public treasury by seeking to recover money or property from the state or a municipality are doing so in good faith. The most effective means of doing this is to provide clear consequences for unlawful conduct. This bill would allow for a civil penalty of up to three times the amount suffered as well as court costs and attorney fees from persons who make a misrepresentation or false claim against the state or a municipality.

The bill would provide incentives to cooperate in the prosecution of a misrepresentation or false claim. Also, the bill would apply only to matters involving at least \$500 and would not apply to unemployment, workers' compensation, state tax, public assistance, or temporary assistance claims, or to permanent fund dividend applications. These programs have specific authority elsewhere in statute providing for the prosecution of false claims.

The bill requires the attorney general to investigate misrepresentations and false claims against the state and requires the prosecuting authority for a municipality to investigate misrepresentations and false claims against the municipality. It also provides procedures for circumstances in which both state and municipal money or property are involved and sets a limitation period of 10 years after which suits for misrepresentations and false claims are barred.

Nearly all states and the federal government have false claims statutes. It is time that Alaska had similar authority to protect the public treasury from wrongful and fraudulent claims.

Sincerely,  
/s/  
Tony Knowles  
Governor"

**HB 146**

HOUSE BILL NO. 146 by the House Rules Committee by request of the Governor, entitled:

"An Act relating to the issuance of certificates of participation to finance deferred maintenance projects, and a construction project, for certain public harbor facilities; giving notice of and approving the entry into, and the issuance of certificates of participation in, lease-financing agreements for those public harbor facility projects; repealing a provision relating to the financing of construction and renovation of facilities for certain ports and harbors; and providing for an effective date."

was read the first time and referred to the Community & Regional Affairs, State Affairs, and Finance Committees.

The following fiscal note(s) apply:

1. Fiscal, Dept. of Revenue

The Governor's transmittal letter dated February 22, 2001, appears below:

"Dear Speaker Porter:

The Department of Transportation and Public Facilities has a long-term goal of bringing state-owned harbor facilities up to suitable standard and divesting ownership to the municipalities that operate them. Once deferred maintenance needs are addressed, the municipalities can support operation and maintenance of these valuable facilities through moorage and other fees. In recent years when transferring harbor ownership to the municipalities, the state has provided grant money as well to address deferred maintenance needs. This bill I transmit today would continue the policy, but leverages state general funds through issuance of certificates of participation. From the municipalities' perspective, this is essentially the same as a grant program.

Certificates of participation (COPs) are an accepted form of financing that the state has used for many capital projects with high credit ratings -- just one notch below the state's general obligation rating. Pooling the group of harbor transfers in this bill into one bond sale also adds efficiency.

The bill identifies the marine motor fuel tax as the likely source of appropriations to retire the certificates. The bill also authorizes payments for the harbor facilities projects to be made from any other valid revenue source, subject to appropriation.

The bill repeals AS 29.60.700 passed by the Legislature last year, which required municipalities to pass general obligation bonds for harbor upgrades and transfers with the state reimbursing the cost of bond payments after a two-year delay. All of the affected municipalities found that plan to be burdensome and ultimately unworkable and city councils or local assemblies in seven of nine municipalities passed resolutions opposing the bonding provisions. The financing method in this bill is acceptable to the municipalities and will, therefore, achieve the state's goal of upgrading and transferring ownership of locally operated harbor facilities.

I urge your prompt and favorable action on this measure.

Sincerely,

/s/

Tony Knowles  
Governor"

**HB 102**

The Speaker added a Finance referral for the following:

HOUSE BILL NO. 102

"An Act relating to the theft of propelled vehicles."

HB 102 was removed from the Rules Committee and referred to the Finance Committee.

**CONSIDERATION OF THE DAILY CALENDAR**

**SECOND READING OF SENATE RESOLUTIONS**

**SJR 3**

The following was read the second time:

SENATE JOINT RESOLUTION NO. 3  
 Relating to the deployment of F-22 Raptor aircraft at Elmendorf  
 Air Force Base.

with the:	Journal Page
MLV RPT HCS(MLV) 6DP	385
FN1: ZERO(S.STA)	385

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

HOUSE CS FOR SENATE JOINT RESOLUTION NO. 3(MLV)  
 (same title)

There being no objection, it was so ordered.

Amendment No. 1 was offered by Representative Davies:

Page 1, line 1, following "**Base**" (title amendment):  
 Insert "**and Eielson Air Force Base**"

Page 2, line 13, following "Base":  
 Delete "has"  
 Insert "and Eielson Air Force Base have"

Page 2, line 20, following "Base":  
 Insert "or Eielson Air Force Base"

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

Representative Kott objected.

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



HCS SJR 3(MLV)  
Second Reading  
Amendment No. 1

**YEAS: 10 NAYS: 23 EXCUSED: 7 ABSENT: 0**

Yeas: Berkowitz, Cissna, Crawford, Croft, Davies, Fate, Kapsner, Kerttula, Moses, Whitaker

Nays: Bunde, Chenault, Coghill, Dyson, Foster, Green, Harris, Hudson, James, Kott, Lancaster, Masek, McGuire, Meyer, Mulder, Murkowski, Ogan, Porter, Rokeberg, Scalzi, Stevens, Williams, Wilson

Excused: Guess, Halcro, Hayes, Joule, Kohring, Kookesh, Morgan

And so, Amendment No. 1 was not adopted.

Representative James moved and asked unanimous consent that HCS SJR 3(MLV) be considered engrossed, advanced to third reading, and placed on final passage. There being no objection, it was so ordered.

HCS SJR 3(MLV) was read the third time.

The question being: "Shall HCS SJR 3(MLV) pass the House?" The roll was taken with the following result:

HCS SJR 3(MLV)  
Third Reading  
Final Passage

**YEAS: 33 NAYS: 0 EXCUSED: 7 ABSENT: 0**

Yeas: Berkowitz, Bunde, Chenault, Cissna, Coghill, Crawford, Croft, Davies, Dyson, Fate, Foster, Green, Harris, Hudson, James, Kapsner, Kerttula, Kott, Lancaster, Masek, McGuire, Meyer, Moses, Mulder, Murkowski, Ogan, Porter, Rokeberg, Scalzi, Stevens, Whitaker, Williams, Wilson

Excused: Guess, Halcro, Hayes, Joule, Kohring, Kookesh, Morgan

And so, HCS SJR 3(MLV) passed the House and was referred to the Chief Clerk for engrossment.

**LEGISLATIVE CITATIONS**

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

Honoring - Mayor Ed Zeine

By Representatives Harris, Porter, Berkowitz, Bunde, Chenault, Cissna, Coghill, Crawford, Croft, Davies, Dyson, Fate, Foster, Halcro, Hayes, Hudson, James, Kapsner, Kerttula, Kohring, Kookesh, Kott, Lancaster, Masek, McGuire, Meyer, Morgan, Mulder, Murkowski, Ogan, Rokeberg, Stevens, Williams, Wilson; Senator Lincoln

In Memoriam - Nello Oscar Long

By Representatives Hudson, Kerttula; Porter, Berkowitz, Bunde, Chenault, Cissna, Coghill, Crawford, Croft, Davies, Dyson, Fate, Foster, Halcro, Harris, Hayes, James, Kapsner, Kookesh, Kott, Lancaster, Masek, McGuire, Meyer, Morgan, Mulder, Murkowski, Ogan, Rokeberg, Scalzi, Stevens, Williams, Wilson; Senator Elton

In Memoriam - Clarence Allen Lovejoy

By Senator Leman; Representatives Crawford, Berkowitz, Meyer, Green, Porter, Bunde, Chenault, Cissna, Coghill, Croft, Davies, Dyson, Fate, Foster, Halcro, Harris, Hayes, Hudson, James, Kapsner, Kerttula, Kookesh, Kott, Lancaster, McGuire, Morgan, Mulder, Murkowski, Ogan, Rokeberg, Scalzi, Stevens, Williams, Wilson

**UNFINISHED BUSINESS**

Representative James moved and asked unanimous consent that the following members be excused from a call of the House. There being no objection, the members were excused as noted:

Representative Green - from noon, plane time, April 5 to 9:30 a.m., plane time, April 9, 2001

Representative Kott - from 7:20 p.m., plane time, February 28 to 9:34 p.m., plane time, March 6, 2001

Representative Masek - from noon, plane time, today to 9:30 a.m., plane time, February 26, 2001

Representative Moses - from 7:10 a.m., plane time, March 1 to 9:30 p.m., plane time, March 6, 2001

Representative Williams - from 2:30 p.m., plane time, today to 9:45 p.m., plane time, February 25, 2001

**HB 127**

Representative Morgan added his name as cosponsor to:

HOUSE BILL NO. 127

"An Act relating to emergency equipment to be carried on aircraft."

**SCR 2**

Representatives Cissna, Wilson, Coghill, and Dyson added their names as cross sponsors to:

CS FOR SENATE CONCURRENT RESOLUTION NO. 2(HES)  
Relating to declaring March 2001 as Sobriety Awareness Month.

**SJR 3**

Representatives Wilson, James, and Harris added their names as cross sponsors to:

HOUSE CS FOR SENATE JOINT RESOLUTION NO. 3(MLV)  
Relating to the deployment of F-22 Raptor aircraft at Elmendorf Air Force Base.

**SJR 8**

Representatives James, Crawford, Fate, Stevens, and Wilson added their names as cross sponsors to:

CS FOR SENATE JOINT RESOLUTION NO. 8(STA)  
Relating to supporting polling places at military installations.

**SJR 9**

Representative Foster added his name as cross sponsor to:

SENATE JOINT RESOLUTION NO. 9

Relating to the development and deployment of the National Missile Defense System.

**ENGROSSMENT**

**SJR 3**

HCS SJR 3(MLV) was engrossed, signed by the Speaker and Chief Clerk and transmitted to the Senate for consideration.

**ANNOUNCEMENTS**

House committee schedules are published daily under separate cover.

Majority Caucus            Speaker's Chamber            upon adj, 2/23

**ADJOURNMENT**

Representative James moved and asked unanimous consent that the House adjourn until 11:00 a.m., February 26, 2001. There being no objection, the House adjourned at 10:58 a.m.

Suzi Lowell  
Chief Clerk