

SENATE JOURNAL
ALASKA STATE LEGISLATURE
TWENTY-SECOND LEGISLATURE -- SECOND SESSION

Juneau, Alaska

Monday

January 28, 2002

Fifteenth Day

Pursuant to adjournment the Senate was called to order by President Halford at 11:10 a.m.

The roll showed sixteen members present. Senators Lincoln, Olson were excused from a call of the Senate. Senators Kelly, Therriault were absent.

The prayer was offered by the Chaplain, Major Larry Fankhauser of The Salvation Army. Senator Hoffman moved and asked unanimous consent that the prayer be spread. Without objection, it was so ordered.

Dear God, we give thanks for the start of a new week. As one nation under God, we pray for those senators gathered in this chamber. They have been given a great responsibility. We pray for each one that a special blessing might be theirs, for clear minds, wisdom and strength to face the challenges of this day. For all the opportunities that are ours to serve this State and community, we thank You. Amen.

Senator Taylor led the Senate in the Pledge of Allegiance.

Certification

Senator Leman moved and asked unanimous consent that the journals for the twelfth through fourteenth legislative days and Senate and House Joint Journal Supplement No. 10 be approved as certified by the Secretary. Without objection, it was so ordered.

The presence of Senator Kelly was noted.

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Communications

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

Terminal Redevelopment Project, International Airport Revenue Bond, Construction Fund Report
from Joseph L. Perkins, Commissioner, Department of Transportation and Public Facilities
in accordance with AS 37.15.420

Notification of Availability of annual financial reports for the Alaska Industrial Development and Export Authority and the Alaska Energy Authority for FY01 on the Internet at www.aidea.org
from Robert Poe, Jr., Executive Director
in accordance with AS 44.88.210 and AS 44.83.950(b)

Report of the Alaska Minerals Commission, 2002
from Irene Anderson, Chair
in accordance with Ch. 98, SLA 1986, as amended by Ch. 4, SLA 1993

Alaska Aerospace Development Corporation, 2001 Annual Report
from Pat Ladner, President/CEO
in accordance with AS 14.40.866

Alaska Municipal Bond Bank Authority, 2001 Annual Report
from R. Desmond Mayo, Chairperson

Department of Transportation and Public Facilities Report to Alaskans
from Joseph L. Perkins, Commissioner

Department of Community and Economic Development, Division of Insurance, 63rd Annual Report
from Robert A. Lohr, Director
in accordance with AS 21.06.087

Standing Committee Reports**HCR 4**

The Rules Committee considered CS FOR HOUSE CONCURRENT RESOLUTION NO. 4(STA) am, Declaring February 2002 to be African-American Citizen Recognition Month. Signing to calendar: Senator Phillips, Chair, Senators Halford, Ellis.

The resolution is on today's calendar.

Introduction and Reference of Senate Bills**SB 258**

SENATE BILL NO. 258 BY SENATOR LEMAN, entitled:

"An Act relating to the use of electronic ballots."

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

SB 259

SENATE BILL NO. 259 BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR, entitled:

"An Act providing for and relating to the issuance of general obligation bonds for the purpose of paying the cost of construction and major maintenance for certain public school facilities; and providing for an effective date."

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

The following fiscal information was published today:

Fiscal Note No. 1, Department of Revenue

Governor's transmittal letter dated January 25:

Dear President Halford:

Adequate school facilities are an important factor in the success of an educational program. To afford all Alaska students the opportunity to learn in an environment that enhances their chances for success, I am transmitting a bill to finance construction and major maintenance of public schools.

This legislation authorizes a public vote on general obligation bonds to tackle one third of the \$641 million backlog of needed school construction and major maintenance projects across our state. I propose this as the first of three installments to complete the entire existing statewide Department of Education and Early Development priority lists within six years.

This legislation specifically authorizes a vote in the 2002 general election on \$212 million in general obligation (GO) bonds for schools. An accompanying bill appropriates \$210 million for the first eight school construction and 81 major maintenance projects on the statewide priority list. This would make available approximately \$101 million for fiscal year 2003 and approximately \$109 million starting in 2004. The remaining \$2 million would pay the costs of bond sale and issuance. The debt service for these bonds will be paid from general funds starting in fiscal year 2004.

In recent years, school construction funding has come from a combination of new or unique funding sources for bonds (such as Alaska Housing Finance Corporation dividends and the tobacco settlement), and school debt reimbursement for urban districts funded by tobacco taxes. These revenue sources are not available this year.

The grant approach in this legislation is an improvement over the process used in previous years. Communities will only provide the local share of the project cost -- approximately 30%. Former school debt reimbursement programs required districts to bond for the full project amount, using more of their local debt capacity than is actually needed for the local share. Local bonding is also more expensive than using GO bonds because the state has a stronger credit rating than municipalities and can issue debt at lower cost.

More effective use of state dollars is made possible in this two-year package by phasing school construction projects so that design is funded in the first year and construction thereafter. To assure bondholders and school districts that the specific projects proposed for the bonds are fully funded, the major maintenance and school construction lists submitted under AS 14.11.011 will be frozen until July 1, 2003.

This first phase of the six-year funding plan will emphasize rural and urban school districts' critical major maintenance needs by completing project priorities 1-60 in the first year and 61-81 in the second year. It is my hope that another bond package, similar to this one, will be addressed during each of the next two general election years to meet the rest of the state's school construction and major maintenance needs in the near future.

We have a responsibility to provide Alaska's children with both the academic programs and the educational facilities they need to be successful. We are making significant progress improving the quality of education and I urge your prompt and favorable action on this measure to make similar progress on our statewide elementary and secondary school facilities.

Sincerely,
/s/
Tony Knowles
Governor

A spreadsheet of major maintenance and school construction projects was attached.

Consideration of the Calendar

Second Reading of House Resolutions

HCR 4

CS FOR HOUSE CONCURRENT RESOLUTION NO. 4(STA) am, Declaring February 2002 to be African-American Citizen Recognition Month, was read the second time and was before the Senate on final passage.

Senators Wilken, Ward, Cowdery moved and asked unanimous consent to be shown as cross sponsors on the resolution. Without objection, it was so ordered.

The question being: "Shall CS FOR HOUSE CONCURRENT RESOLUTION NO. 4(STA) am, Declaring February 2002 to be African-American Citizen Recognition Month, pass the Senate?" The roll was taken with the following result:

CSHCR 4(STA) am
Second Reading - Final Passage

YEAS: 17 NAYS: 0 EXCUSED: 2 ABSENT: 1

Yea: Austerman, Cowdery, Davis, Donley, Ellis, Elton, Green, Halford, Hoffman, Kelly, Leman, Phillips, Stevens, Taylor, Torgerson, Ward, Wilken

Excused: Lincoln, Olson

Absent: Therriault

and so, CS FOR HOUSE CONCURRENT RESOLUTION NO. 4(STA) am passed the Senate, was signed by the President and Secretary and returned to the House.

Citations

Commemorating – Black History Month

Senator(s) Davis, Phillips, Ward, Stevens, Hoffman, Wilken, Ellis, Donley, Taylor, Austerman, Lincoln, Elton, Halford, Leman

In Memoriam – Omega "Micky" Bennett

Senator(s) Davis, Stevens, Hoffman, Wilken, Donley, Green, Kelly, Taylor, Austerman, Lincoln, Elton, Halford, Leman

In Memoriam – Charles Hord

Senator(s) Davis, Stevens, Hoffman, Wilken, Donley, Green, Kelly, Taylor, Austerman, Lincoln, Elton, Halford, Leman

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

Unfinished Business

Senator Torgerson moved and asked unanimous consent to be excused from a call of the Senate on February 4, 5, 6, 19 and 20. Without objection, Senator Torgerson was excused.

Senator Kelly moved and asked unanimous consent to be excused from a call of the Senate from February 1 through morning plane time, February 4. Without objection, Senator Kelly was excused.

Senator Donley moved and asked unanimous consent to be excused from a call of the Senate on February 1. Without objection, Senator Donley was excused.

Senator Cowdery moved and asked unanimous consent to be excused from a call of the Senate on February 1 and March 7. Without objection, Senator Cowdery was excused.

HB 196

Senator Wilken moved and asked unanimous consent to be shown as a cross sponsor on CS FOR HOUSE BILL NO. 196(JUD) "An Act establishing a right of action for a legal separation; requiring a report about legal separations; and amending Rule 42(a), Alaska Rules of Civil Procedure." Without objection, it was so ordered.

President Halford made the following appointment to the Legislative Council:

Senator Stevens replaces Senator Pearce.

Announcements

Announcements are at the end of the journal.

Adjournment

Senator Leman moved and asked unanimous consent that the Senate stand in adjournment until 11:00 a.m., January 30, 2002. Without objection, the Senate adjourned at 11:29 a.m.

Heidi Vogel
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

Jan 28	Monday	Fahrenkamp 203	1:30 PM
	No Meeting Scheduled		
Jan 30	Wednesday	Fahrenkamp 203	1:30 PM
	No Meeting Scheduled		
Feb 01	Friday	Fahrenkamp 203	1:30 PM
	No Meeting Scheduled		

FINANCE

Jan 31	Thursday	Senate Finance 532	9:30 AM
=	SB 181	SMALL COMMUNITY HOUSING LOANS	
=	SB 153	UNDERGROUND STORAGE TANK LOAN FUND	
=	SB 115	EXTEND BD. OF STORAGE TANK ASSISTANCE	
		Bills Previously Heard/Scheduled	

HEALTH, EDUCATION & SOCIAL SERVICES

Jan 28	Monday	Butrovich 205	1:30 PM
+	HB 162	ABSENCES UNDER LONGEVITY BONUS PROGRAM	
Jan 30	Wednesday	Butrovich 205	1:30 PM
+	SB 250	SCHOOL PERFORMANCE REPORTS	

JUDICIARY

Jan 28	Monday	Beltz 211	1:30 PM
SB 248	EXTENDING COUNCIL ON DOMESTIC VIOLENCE <Bill Postponed to 2/22/02>		
Jan 30	Wednesday	Beltz 211	1:30 PM
	No Meeting Scheduled		
Feb 01	Friday	Beltz 211	1:30 PM
+ SB 242	CONCEALED HANDGUN PERMITTEES		

LABOR & COMMERCE

Jan 29	Tuesday	Beltz 211	1:30 PM
+ HB 157	TRUST COMPANIES & FIDUCIARIES		
+ SB 175	MUNICIPAL PROTESTS OF GAMING PERMITS		
Jan 31	Thursday	Beltz 211	1:30 PM
+ SB 243	CHIROPRACTORS: SUNSET/LICENSING		
+ SB 244	OPTOMETRISTS: SUNSET AND MISCELLANEOUS		

RESOURCES

Jan 28	Monday	Butrovich 205	3:30 PM
	No Meeting Scheduled		
Jan 30	Wednesday	Butrovich 205	3:30 PM
	No Meeting Scheduled		
Feb 01	Friday	Butrovich 205	3:30 PM
	No Meeting Scheduled		

RULES

Jan 29	Tuesday	Fahrenkamp 203	10:00 AM
HB 334	APPROP: GRANT TO ARCTIC POWER FOR ANWR		
HCR 22	RECESS FOR MORE THAN 3 DAYS IN MARCH		

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STATE AFFAIRS

Jan 29	Tuesday	Beltz 211	3:30 PM
No Meeting Scheduled			
Jan 31	Thursday	Beltz 211	3:30 PM
SB 236	HOMELAND SECURITY APPROPRIATIONS		
= SB 235	EMERGENCY MANAGEMENT ASSISTANCE COMPACT		
= SB 237	TERRORISM, CIVIL DEFENSE, AND DISASTERS		
= SB 238	SECURITY OF FACILITIES AND SYSTEMS		
= SB 239	STATE EMPLOYEES CALLED TO MILITARY DUTY		
= SB 240	TERRORISTIC THREATENING/PIPELINE DAMAGE		

TRANSPORTATION

Jan 29	Tuesday	Butrovich 205	1:30 PM
No Meeting Scheduled			
Jan 31	Thursday	Butrovich 205	1:30 PM
HB 241	RAIL AND UTILITY CORRIDOR TO CANADA		
SB 209	LEGISLATIVE APPROVAL OF RAILROAD LEASES		

FINANCE SUBCOMMITTEES

EDUCATION & EARLY DEVELOPMENT

Jan 31	Thursday	Terry Miller 104	8:00 AM
Dept Overview: FY03 Budget Request			
Committee Schedule and Future Topics			

JOINT COMMITTEES

ADMINISTRATIVE REGULATION REVIEW

Jan 30	Wednesday	Capitol 102	8:30 AM
+	Overview of Committee Activities		
+	DCED Interpretation of Uniform Mechanical Code		

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ARMED SERVICES COMMITTEE

Feb 05 **Tuesday** **Senate Finance 532** **1:30 PM**
-- Location Change --
Lt. General Norton Schwartz,
Maj. Gen. Willie B. Nance: Briefing

LEGISLATIVE COUNCIL

Jan 28	Monday	Senate Finance 532	12:00 PM
	Revisor's Bill		
	Don Mitchell Contract Amendment		
	Expanding Gas Pipeline Study Contract		
	Hiring FERC Attorney		
	Late Travel Reimbursement Requests		
	4th Avenue Lease Discussion		
	Capitol Security Measures		

OTHER MEETINGS

CHILDREN'S CAUCUS

Feb 12 **Tuesday** **Fahrenkamp 203** **12:00 PM**
+ Alaska Women's Resource Center:
 Stepping Stones Program

FISH CAUCUS

Jan 31 **Thursday** **Butrovich 205** **12:00 PM**
2002 Fisheries Bills

JOINT SESSION

Feb 19	Tuesday	House Chamber	11:00 AM
	US Senator Frank Murkowski		
Feb 20	Wednesday	House Chamber	11:00 AM
	Chief Justice Dana Eabe		

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MINORITY CAUCUS

Jan 29	Tuesday	Governor's Conf Rm	4:00 PM
	Joint w/(H)		
	Open Caucus		
	Trends in the Alaska Economy:		
	Neal Fried, Labor & Workforce Development		