

SENATE JOURNAL

ALASKA STATE LEGISLATURE

TWENTY-THIRD LEGISLATURE -- SECOND SESSION

Juneau, Alaska

Wednesday

January 14, 2004

Third Day

Pursuant to adjournment the Senate was called to order by President Therriault at 11:17 a.m.

The roll showed twenty members present.

The prayer was offered by the Chaplain, the Venerable Mark Boesser, Archdeacon of Southeast Alaska for the Episcopal Church. Senator Hoffman moved and asked unanimous consent that the prayer be spread. Without objection, it was so ordered.

In one of the old Greek cities there stood an imposing statue with the word opportunity inscribed on its base.

It had a human form which stood on tiptoe, suggesting that it remained in one place merely a moment.

On either side of its feet were wings, suggesting the speed with which it passed by.

Its hair was long on the forehead, indicating that folks must seize opportunity by the forelock whenever they meet up with it.

But the back of the head was completely bare, indicating that once an opportunity had passed, it could not be captured again.

I was struck by one definition of “crisis” as being “dangerous opportunity,” and a similar saying that “every problem in life has hidden within it an opportunity so powerful that it literally dwarfs the problem.”

Which leads me to pray that in this legislative time together we be given eyes to see opportunities where we might otherwise miss them, and more, that we be given courage to seize some of the tougher, seemingly unyielding problems “by the forelock,” as it were, and find opportunities within them that can really benefit the people of Alaska. Amen.

Senator Wagoner led the Senate in the Pledge of Allegiance.

Certification

Senator Ben Stevens moved and asked unanimous consent that the journal for the second legislative day and Senate and House Joint Journal Supplement No. 11 be approved as certified by the Secretary. Without objection, it was so ordered.

Messages from the Governor

Executive Proclamation

Under the authority of art. II, sec. 9, and art. III, sec. 17, of the Alaska Constitution, and in the public interest, I call the Twenty-Third Legislature of the State of Alaska into its first special session at Juneau, Alaska, in the legislative chambers on March 1, 2004, at 10:00 a.m., to consider passage of a joint resolution amending the Alaska Constitution to change the existing method for determining the amount of money available for distribution from the Alaska Permanent Fund to one based on the percent of market value of the fund, and to specify the purposes for which distributions may be made from the Alaska Permanent Fund.

Dated this 13th day of January, 2004.

/s/

Frank H. Murkowski
Governor

Communications

The following Budget and Audit Reports were received from Pat Davidson, Legislative Auditor, in accordance with AS 24.20.311 and are on file in the Office of the Secretary of the Senate:

Department of Health and Social Services, Alaska Commission on Aging, Sunset Review, October 1, 2003

Department of Health and Social Services, Division of Behavioral Health, Select Issues, October 1, 2003

Department of Community and Economic Development, Board of Dispensing Opticians, Sunset Review, October 2, 2003

Department of Community and Economic Development, Division of Occupational Licensing, Guides and Transporters, October 16, 2003

Department of Community and Economic Development, Division of Occupational Licensing, Real Estate Commission, Sunset Review, September 24, 2003

Departments of Corrections and Administration, Correctional and Probation Officer Transfer Analysis, October 9, 2003

State of Alaska, Single Audit for the Fiscal Year Ended June 30, 2002

Department of Community and Economic Development, Board of Real Estate Appraisers, July 17, 2003

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

Alaska Permanent Fund 2003 Annual Report
from Robert Storer, Executive Director
in accordance with AS 37.13.170

HB 269

State of Alaska, Safety Code Task Force Report to the Twenty-third Legislature, January 12, 2004

from Representative Nancy Dahlstrom and Senator Ralph Seekins, Cochairs

in accordance with Chapter 129, SLA 2003

Report Listing Alaska Statutes With Delayed Repeals or Delayed Amendments and Examining Court Decisions and Opinions of the Attorney General Construing Alaska Statutes

from Lynn Barnes, Division of Legal and Research Services, Legislative Affairs Agency

in accordance with AS 24.20.065(b)

HCR 21

Findings and Recommendations of the Alaska Energy Policy Task Force, Report on the RAILBELT, December 31, 2003

from Becky Gay, Coordinator, Energy Policy Task Force

in accordance with Legislative Resolve 24

Joint Armed Service Committee Activities Report, February 2002 – January 2004

received January 12 from Representative John Harris and Senator Gary Wilken, Cochairs

in accordance with AS 24.20.675(a)(9)

Introduction and Reference of Senate Bills**SB 261**

SENATE BILL NO. 261 BY SENATOR DAVIS, entitled:

"An Act relating to the commission of a crime when the defendant directed the conduct constituting the crime at the victim based on the victim's race, sex, color, creed, physical or mental disability, sexual orientation, ancestry, or national origin."

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

SB 262

SENATE BILL NO. 262 BY SENATOR DAVIS, entitled:

"An Act extending the termination date of the Board of Dispensing Opticians."

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

SB 263

SENATE BILL NO. 263 BY SENATOR DAVIS, entitled:

"An Act extending the termination date of the Alaska Commission on Aging and making technical revisions to citations related to the commission."

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

SB 264

SENATE BILL NO. 264 BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR, entitled:

"An Act repealing the time limitation on the authority of the Department of Natural Resources to enter into agreements with a person or persons desiring to own an oil or natural gas pipeline proposed to be located on state land for the purposes of providing for payment of the reasonable costs incurred in preparing for activities before receipt of an application under the Alaska Right-of-Way Leasing Act; and providing for an effective date."

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

The following fiscal information was published today:

Fiscal Note No. 1, zero, Department of Natural Resources

Governor's transmittal letter dated January 12:

Dear President Therriault:

Under the authority of article III, section 18, of the Alaska Constitution, I am transmitting a bill allowing the Department of Natural Resources (DNR) to continue to enter into reimbursement agreements with applicants for DNR's preliminary work on oil and gas pipeline right-of-way lease applications. DNR's preliminary work streamlines the application process. An effective permitting process is critical to revitalizing the oil and gas industry and growing Alaska's economy. DNR's current authority to enter into reimbursement agreements expired on December 31, 2003. The bill contains a retroactive provision to ensure there is no "window" period when reimbursement agreements could not be entered into by DNR.

AS 38.35 requires pipeline right-of-way lease applicants to submit detailed applications that include significant engineering and design work. Substantial investments of time and money are needed even before an application is officially submitted to DNR. Costs of pre-application work by state agencies like DNR can range from about \$40,000 for a simple pipeline to several millions of dollars for a project like the proposed Alaska natural gas pipeline. Incomplete applications or applications that must be revised later are costly, create delays that could cost a producer the construction season, and may directly impact a decision on the feasibility of a project.

DNR's assistance and guidance results in a good working relationship with the applicant. It also results in early communication and explanation of state law requirements to applicants, complete initial applications, quicker processing by DNR, fewer revisions, and a greater chance of approval of the project by DNR.

I urge your prompt and favorable action on this matter.

Sincerely yours,

/s/

Frank H. Murkowski
Governor

SB 265

SENATE BILL NO. 265 BY THE SENATE RULES COMMITTEE
BY REQUEST OF THE GOVERNOR, entitled:

"An Act relating to the schedule of proposed oil and gas lease sales and to a related report to the legislature; and providing for an effective date."

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

The following fiscal information was published today:

Fiscal Note No. 1, zero, Department of Natural Resources

Governor's transmittal letter dated January 12:

Dear President Therriault:

Under the authority of article III, section 18, of the Alaska Constitution, I am transmitting a bill relating to the scheduling of proposed oil and gas lease sales. This bill would allow the commissioner of the Department of Natural Resources to produce additional revenues for the State of Alaska from oil and gas lease sales by quickly responding to changing industry, market, and other conditions. New areas, particularly frontier areas of the state, can be brought into production sooner than currently possible. The bill would still permit legislative review of the lease sale program.

Currently, the commissioner is required to prepare a "Five Year Schedule of Proposed Oil And Gas Lease Sales" and submit it to the Legislature in January of the first regular session of each Legislature. A proposed lease sale must be included in the schedule for at least two calendar years before the sale can actually be held. This is a ponderous process that makes it difficult to implement the most effective oil and gas lease sale program possible.

This bill is an important part of our mission to use natural resource wealth to produce long-term, stable revenue sources for the state, local and property tax revenue for municipalities, and high paying jobs for Alaskans.

I urge your prompt and favorable support of this legislation.

Sincerely yours,

/s/

Frank H. Murkowski
Governor

SB 266

SENATE BILL NO. 266 BY THE SENATE RULES COMMITTEE
BY REQUEST OF THE GOVERNOR, entitled:

"An Act approving an interim classification by the commissioner of natural resources closing certain land within the area of the proposed Bristol Bay (Alaska Peninsula) competitive oil and gas areawide lease sale to oil and gas exploration licensing and shallow natural gas leasing; and providing for an effective date."

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

The following fiscal information was published today:

Fiscal Note No. 1, zero, Department of Natural Resources

Governor's transmittal letter dated January 12:

Dear President Theriault:

Under the authority of article III, section 18, of the Alaska Constitution, I am transmitting a bill approving an interim classification by the commissioner of Natural Resources closing certain land in the Bristol Bay region to oil and gas exploration licensing under AS 38.05.131 through AS 38.05.134 and shallow natural gas leasing under AS 38.05.177. The specific lands affected will be part of a future competitive oil and gas lease sale in the Bristol Bay region. Closure avoids potential conflicts in land use for these areas later, when the proposed competitive oil and gas lease sale occurs.

Under AS 38.05.300(c), a mineral closing order is an interim classification which does not become permanent unless approved by the legislature by the 90th day of the next regular session, or adjournment. This legislation will help facilitate needed economic development and job creation in Alaska's Bristol Bay region.

I urge your prompt and favorable action on this measure.

Sincerely yours,

/s/

Frank H. Murkowski
Governor

Consideration of the Calendar

Citations

Honoring – Juneau-Douglas High School Varsity Soccer Team, 2003 State Champions

Senator(s) Elton, Therriault, Cowdery, Davis, Dyson, Ellis, Green, Guess, Hoffman, Lincoln, Olson, Seekins, Stedman, Ben Stevens, Gary Stevens, Wagoner, Wilken

Commemorating – Black History Month

Senator(s) Davis, Therriault, Cowdery, Dyson, Ellis, Elton, French, Guess, Hoffman, Lincoln, Olson, Seekins, Stedman, Ben Stevens, Gary Stevens, Wagoner, Wilken

Commemorating – Dr. Martin Luther King, Jr. Day

Senator(s) Davis, Therriault, Cowdery, Dyson, Ellis, Elton, French, Guess, Hoffman, Lincoln, Olson, Seekins, Stedman, Ben Stevens, Gary Stevens, Wagoner, Wilken

In Memoriam – Robert E. Emerson

Representative(s) Weyhrauch

Senator(s) Elton, Therriault, Cowdery, Davis, Dyson, Green, Guess, Hoffman, Lincoln, Seekins, Stedman, Ben Stevens, Gary Stevens, Wagoner, Wilken

In Memoriam – Chris Garrison

Representative(s) Weyhrauch, Kerttula

Senator(s) Elton, Therriault, Cowdery, Davis, Dyson, Green, Guess, Hoffman, Lincoln, Seekins, Stedman, Ben Stevens, Gary Stevens, Wagoner, Wilken

In Memoriam – Margaret C. Morgan

Representative(s) Weyhrauch, Kerttula

Senator(s) Elton, Therriault, Cowdery, Davis, Dyson, Green, Guess, Hoffman, Lincoln, Seekins, Stedman, Ben Stevens, Gary Stevens, Wagoner, Wilken

In Memoriam – Juan Jose Moser

Representative(s) Weyhrauch, Kerttula

Senator(s) Elton, Therriault, Cowdery, Davis, Dyson, Green, Guess, Hoffman, Lincoln, Seekins, Stedman, Ben Stevens, Gary Stevens, Wagoner, Wilken

In Memoriam – Robert ‘Bob’ E. Nyman

Representative(s) Weyhrauch, Kerttula

Senator(s) Elton, Therriault, Cowdery, Davis, Dyson, Green, Guess, Hoffman, Lincoln, Seekins, Stedman, Ben Stevens, Gary Stevens, Wagoner, Wilken

In Memoriam – Stanley Elwood Reddekopp

Representative(s) Weyhrauch, Kerttula

Senator(s) Elton, Therriault, Cowdery, Davis, Dyson, Green, Guess, Hoffman, Lincoln, Seekins, Stedman, Ben Stevens, Gary Stevens, Wagoner, Wilken

In Memoriam – Peter M. Schneider

Representative(s) Weyhrauch, Kerttula

Senator(s) Elton, Therriault, Cowdery, Davis, Dyson, Green, Guess, Hoffman, Lincoln, Seekins, Stedman, Ben Stevens, Gary Stevens, Wagoner, Wilken

In Memoriam – Rose Vantor
Representative(s) Weyhrauch, Kerttula
Senator(s) Elton, Therriault, Cowdery, Davis, Dyson, Green, Guess,
Hoffman, Lincoln, Seekins, Stedman, Ben Stevens, Gary Stevens,
Wagoner, Wilken

In Memoriam – David Willard
Representative(s) Weyhrauch, Kerttula
Senator(s) Elton, Therriault, Cowdery, Davis, Dyson, Green, Guess,
Hoffman, Lincoln, Seekins, Stedman, Ben Stevens, Gary Stevens,
Wagoner, Wilken

In Memoriam – Christian Frederik Wyller
Representative(s) Weyhrauch, Kerttula
Senator(s) Elton, Therriault, Cowdery, Davis, Dyson, Green, Guess,
Hoffman, Lincoln, Seekins, Stedman, Ben Stevens, Gary Stevens,
Wagoner, Wilken

Senator Ben Stevens 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 Ellis moved and asked unanimous consent that the Senate invite the House to a Joint Session on January 16 to consider overriding the Governor's veto of Longevity Bonus Grants, page 16, lines 10-11 of CONFERENCE CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 75 "An Act making appropriations for the operating and loan program expenses of state government, for certain programs, and to capitalize funds; and providing for an effective date."

Senator Ben Stevens objected.

The question being: "Shall the Senate invite the House to Joint Session for the purpose of overriding the Governor's veto of page 16, lines 10-11 of CONFERENCE CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 75?" The roll was taken with the following result:

Shall the Senate invite the House to
Joint Session for purpose of veto override
CCS SSHB 75 – Page 16, lines 10-11?

YEAS: 8 NAYS: 12 EXCUSED: 0 ABSENT: 0

Yeas: Davis, Ellis, Elton, French, Guess, Hoffman, Lincoln, Olson

Nays: Bunde, Cowdery, Dyson, Green, Ogan, Seekins, Stedman,
Stevens B, Stevens G, Therriault, Wagoner, Wilken
and so, the motion failed.

Senator Ellis moved and asked unanimous consent that the Senate invite the House to a Joint Session on January 16 to consider overriding the Governor's veto of the Safe Communities Program, page 5, lines 29-30 of CONFERENCE CS FOR SS FOR HOUSE BILL NO. 75 "An Act making appropriations for the operating and loan program expenses of state government, for certain programs, and to capitalize funds; and providing for an effective date."

Senator Ben Stevens objected.

The question being: "Shall the Senate invite the House to Joint Session for the purpose of overriding the Governor's veto of page 5, lines 29 - 30 of CONFERENCE CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 75?" The roll was taken with the following result:

Shall the Senate invite the House to
Joint Session for purpose of veto override
CCS SSHB 75 – Page 5, lines 29-30?

YEAS: 8 NAYS: 12 EXCUSED: 0 ABSENT: 0

Yeas: Davis, Ellis, Elton, French, Guess, Hoffman, Lincoln, Olson

Nays: Bunde, Cowdery, Dyson, Green, Ogan, Seekins, Stedman,
Stevens B, Stevens G, Therriault, Wagoner, Wilken
and so, the motion failed.

Senator Seekins moved and asked unanimous consent to be excused from a call of the Senate from afternoon plane time, January 16, to morning plane time, January 20, and from afternoon plane time, January 23, to evening plane time, January 25. Without objection, Senator Seekins was excused.

Senator Davis moved and asked unanimous consent to be excused from a call of the Senate on January 16. Without objection, Senator Davis was excused.

Senator Ogan moved and asked unanimous consent to be excused from a call of the Senate from plane time, January 19, to plane time, January 20, and from plane time, January 23, to plane time, January 26. Without objection, Senator Ogan was excused.

Senator Hoffman moved and asked unanimous consent to be excused from a call of the Senate on January 23. Without objection, Senator Hoffman was excused.

Senator French moved and asked unanimous consent to be excused from the Senate, not subject to a call, from January 19 to plane time, January 20. Without objection, Senator French was excused.

Senator Dyson moved and asked unanimous consent to be excused from a call of the Senate from January 19 to plane time, January 20, and from January 26 to morning plane time, January 27. Without objection, Senator Dyson was excused.

Introduction of Chamber Staff

Senator Ben Stevens introduced Senate Page Shyna Imm of Anchorage and Assistant Sergeant at Arms Fred Thoerner III of Anchorage.

Senator Hoffman introduced Senate Page Audrey Foster of Sand Point.

Senator Elton introduced Senate Pages Nicholas Danielson of Juneau, Ryan King of Juneau, and William Ryan of Juneau, and Senate Sergeant at Arms Jamiann Stevens of Juneau.

Senator Wagoner introduced Senate Page Emma Seggerman of Soldotna.

Announcements

Announcements are at the end of the journal.

Adjournment

Senator Ben Stevens moved and asked unanimous consent that the Senate stand in adjournment until 10:00 a.m., January 16, 2004. Without objection, the Senate adjourned at 12:02 p.m.

Kirsten Waid
Secretary of the Senate

July 2004

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 14 Wednesday Fahrenkamp 203 1:30 PM
 No Meeting Scheduled

Jan 16 Friday Fahrenkamp 203 1:30 PM
 No Meeting Scheduled

FINANCE

Jan 14 Wednesday Senate Finance 532 9:00 AM
 No Meeting Scheduled

Jan 15 Thursday Senate Finance 532 9:00 AM
 No Meeting Scheduled

Jan 16 Friday Senate Finance 532 9:00 AM
 No Meeting Scheduled

HEALTH, EDUCATION & SOCIAL SERVICES

Jan 14 Wednesday Butrovich 205 1:30 PM
 + SB 259 SENIORCARE

JUDICIARY

Jan 14 **Wednesday** **Beltz 211** **1:00 PM**
 No Meeting Scheduled

Jan 16 **Friday** **Beltz 211** **1:00 PM**
 No Meeting Scheduled

LABOR & COMMERCE

Jan 15 **Thursday** **Beltz 211** **1:30 PM**
 No Meeting Scheduled

RESOURCES

Jan 14 **Wednesday** **Butrovich 205** **3:30 PM**
 No Meeting Scheduled

Jan 16 **Friday** **Butrovich 205** **3:30 PM**
 No Meeting Scheduled

STATE AFFAIRS

Jan 15 **Thursday** **Beltz 211** **3:30 PM**
 No Meeting Scheduled

TRANSPORTATION

Jan 15 **Thursday** **Butrovich 205** **1:30 PM**
 No Meeting Scheduled

Jan 20 **Tuesday** **Butrovich 205** **1:30 PM**
 Overview of Knik Arm Bridge and Toll
 Authority

JOINT COMMITTEES

LEGISLATIVE BUDGET & AUDIT

Jan 15 **Thursday** **House Finance 519** **12:00 PM**
-- Time Change --
Legislative Budget and Audit

LEGISLATIVE COUNCIL

Jan 15 **Thursday** **House Finance 519** **5:00 PM**
Legislative Council Meeting

SALMON INDUSTRY TASK FORCE

Jan 18 **Sunday** **House Finance 519** **1:00 PM**
Final Discussion of Subcommittee
Recommendations to the Task Force

Jan 19 **Monday** **House Finance 519** **8:00 AM**
Final Discussion of Subcommittee
Recommendations to the Task Force