

SENATE JOURNAL

ALASKA STATE LEGISLATURE

TWENTY-THIRD LEGISLATURE -- SECOND SESSION

Juneau, Alaska

Wednesday

February 11, 2004

Thirty-first Day

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

The roll showed twelve members present. Senators Davis, Ellis, Elton, Guess, Seekins, Ben Stevens were excused from a call of the Senate. Senators Green, Olson were absent.

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

Father, I thank You for the privilege that we have to come before You in prayer. You have abundantly blessed and helped us.

Thank You for Your protection and provision for our state and our nation.

Thank You for those who give of themselves in all areas of public service. You said that they are Your ministers to us for good.

Thank You that Your strength, wisdom and love are available to us to help us through our most difficult challenges.

I earnestly seek Your face today for Your continued hand of blessing upon our state and our nation so they can continue to be a blessing here and around the world.

I pray for the protection of the military personnel who are defending our freedoms at home and abroad.

Bless the people of Alaska and minister to them in every area of need, pain, grief and crisis.

With deep reverence for You and with complete trust in You, we ask these things. Amen.

Senator Hoffman led the Senate in the Pledge of Allegiance.

Certification

Senator Wagoner, Acting Majority Leader, moved and asked unanimous consent that the journals for the twenty-ninth and thirtieth legislative days be approved as certified by the Secretary. Without objection, it was so ordered.

Messages from the House

Message dated February 9 was read, stating the House passed and transmitted for consideration:

First Reading and Reference of House Bills

HB 373

HOUSE BILL NO. 373 BY THE HOUSE STATE AFFAIRS COMMITTEE, entitled:

"An Act requiring warrants drawn by the Department of Administration against the state treasury to be negotiable instruments."

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

Standing Committee Reports**SB 232**

The State Affairs Committee considered SENATE BILL NO. 232 "An Act relating to federal requirements for governmental plan and other qualifications for the teachers' retirement system, the public employees' retirement system, and the judicial retirement system; and providing for an effective date" and recommended it be replaced with

CS FOR SENATE BILL NO. 232(STA)
(forthcoming)

Signing no recommendation: Senator Gary Stevens, Chair; Senators Cowdery, Stedman.

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

The bill was referred to the Finance Committee.

SB 260

The Community and Regional Affairs Committee considered SENATE BILL NO. 260 "An Act relating to metropolitan planning organizations and to establishment of a metropolitan planning organization for the Anchorage metropolitan area; and providing for an effective date." Signing do pass: Senator Stedman, Chair; Senators Wagoner, Gary Stevens.

The following fiscal information was published today:
Fiscal Note No. 1, zero, Department of Transportation and Public Facilities

The bill was referred to the Transportation Committee.

SB 273

The Labor and Commerce Committee considered SENATE BILL NO. 273 "An Act relating to the Alaska Seafood Marketing Institute, the seafood marketing assessment, the seafood marketing tax, and the seafood product tax; and providing for an effective date." Signing no recommendation: Senator Bunde, Chair; Senator French. Signing do pass: Senator Gary Stevens.

The following fiscal information was published today:

Fiscal Note No. 1, Department of Revenue
Fiscal Note No. 2, zero, Office of the Governor

The bill was referred to the Finance Committee.

SB 277

The Health, Education and Social Services Committee considered SENATE BILL NO. 277 "An Act relating to the Alaska Commission on Postsecondary Education; relating to the Alaska Student Loan Corporation; relating to bonds of the corporation; relating to loan and grant programs of the commission; relating to an exemption from the State Procurement Code regarding certain contracts of the commission or corporation; making conforming changes; and providing for an effective date" and recommended it be replaced with

CS FOR SENATE BILL NO. 277(HES)

Signing do pass: Senator Dyson, Chair; Senators Green, Wilken.

The following fiscal information was published today:

Fiscal Note No. 4, Department of Education and Early
Development

The following previously published fiscal information applies:

Fiscal Note No. 1, zero, Department of Administration
Fiscal Note No. 2, zero, Department of Community and Economic
Development

The bill was referred to the Finance Committee.

The presence of Senator Green was noted.

SB 283

The Finance Committee considered SENATE BILL NO. 283 "An Act making an appropriation to reverse the deposit of money available for appropriation in the general fund at the end of fiscal year 2003 into the constitutional budget reserve fund; making an appropriation under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional budget reserve fund; and providing for an effective date" and recommended it be replaced with

CS FOR SENATE BILL NO. 283(FIN) "An Act making an appropriation to reverse the deposit of money available for appropriation in the general fund at the end of fiscal year 2003 into the constitutional budget reserve fund; making an appropriation for investment management fees for the constitutional budget reserve fund; making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional budget reserve fund; and providing for an effective date."

Signing do pass: Senators Wilken, Green, Cochairs; Senators Hoffman, Bunde. Signing no recommendation: Senator Dyson.

The bill was referred to the Rules Committee.

SB 285

The Health, Education and Social Services Committee considered SENATE BILL NO. 285 "An Act relating to medical assistance coverage for targeted case management services and for rehabilitative services furnished or paid for by a school district on behalf of certain children; and providing for an effective date." Signing do pass: Senator Dyson, Chair; Senators Green, Wilken.

The following fiscal information was published today:

Fiscal Note No. 1, zero, Department of Health and Social Services

Fiscal Note No. 2, zero, Department of Health and Social Services

The bill was referred to the Finance Committee.

SB 288

The Health, Education and Social Services Committee considered SENATE BILL NO. 288 "An Act relating to certain determinations concerning placement of a child in emergency custody and temporary placement hearings in child-in-need-of-aid proceedings; and providing for an effective date" and recommended it be replaced with

CS FOR SENATE BILL NO. 288(HES)

Signing do pass: Senator Dyson; Chair, Senators Green, Wilken.

The following fiscal information was published today:
Fiscal Note No. 1, Department of Health and Social Services

President Therriault added a Finance Committee referral to the bill.

The bill was referred to the Judiciary, then Finance Committees.

SB 289

The Health, Education and Social Services Committee considered SENATE BILL NO. 289 "An Act extending the termination date of the special education service agency; and providing for an effective date." Signing do pass: Senator Dyson, Chair; Senators Green, Wilken.

The following fiscal information was published today:
Fiscal Note No. 1, zero, Department of Education and Early Development

The bill was referred to the Finance Committee.

SB 291

The Labor and Commerce Committee considered SENATE BILL NO. 291 "An Act extending the transition period for activities involving unstamped cigarettes; and providing for an effective date." Signing do pass: Senator Bunde, Chair; Senators French, Gary Stevens.

The following fiscal information was published today:
Fiscal Note No. 1, zero, Department of Revenue

The bill was referred to the Finance Committee.

HB 304

The Transportation Committee considered HOUSE BILL NO. 304 "An Act naming the Jack Coghill Bridge to the Interior." Signing do pass: Senators Wagoner, Cowdery, Cochairs; Senator Therriault.

The following previously published fiscal information applies:
Fiscal Note No. 2, zero, Department of Transportation and Public Facilities

The bill was referred to the State Affairs Committee.

HJR 30

The State Affairs Committee considered CS FOR HOUSE JOINT RESOLUTION NO. 30(STA) am Relating to supporting the repeal of the Government Pension Offset and the Windfall Elimination Provisions from the Social Security Act. Signing do pass: Senator Gary Stevens, Chair; Senators Cowdery, Stedman.

The following previously published fiscal information applies:
Fiscal Note No. 1, zero, Department of Administration

The resolution was referred to the Health, Education and Social Services Committee.

**Introduction and Reference of
Senate Resolutions****SJR 28**

SENATE JOINT RESOLUTION NO. 28 BY SENATORS
WAGONER, Gary Stevens,

Requesting Exxon Mobil Corporation to pay claimants for court-ordered damages resulting from the Exxon Valdez oil spill.

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

Introduction and Reference of Senate Bills**SB 313**

SENATE BILL NO. 313 BY THE SENATE RULES COMMITTEE
BY REQUEST OF THE GOVERNOR, entitled:

"An Act making supplemental and other appropriations; amending appropriations; making an appropriation to capitalize a fund; and providing for an effective date."

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

Governor's transmittal letter dated February 9:

Dear President Therriault:

Today I am transmitting two supplemental appropriation bills for Fiscal Year 2004. This bill, sometimes referred to as the "fast track" supplemental bills, includes items that have particularly tight time requirements that are not accommodated by the usual passage of supplemental appropriations later in the spring.

The "fast track" supplemental totals \$4.6 million in general funds. Our management goal was to include requests for circumstances that were not within the departments' control or were unanticipated when the FY 2004 budget was finalized, such as reimbursement of the information services fund due to the ACS settlement, federal requirements per the Help America Vote Act, and an expedited timeframe for the state veterans' home conversion in Palmer.

In addition, we are requesting federal funds of \$93.4 million for the veterans' home conversion in Palmer, to implement the federal contract for the Adak air facility, and for federal project earmarks in the transportation bill (along with the projects' match requirement) that must be obligated before September 30, 2004.

I request that you put this bill on a "fast track" for final action in early March.

Sincerely yours,

/s/

Frank H. Murkowski
Governor

SB 314

SENATE BILL NO. 314 BY THE SENATE RULES COMMITTEE
BY REQUEST OF THE GOVERNOR, entitled:

"An Act making supplemental and other appropriations; amending and repealing appropriations; making appropriations to capitalize funds; and providing for an effective date."

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

Governor's transmittal letter dated February 9:

Dear President Therriault:

I am transmitting to you today two supplemental appropriation bills for Fiscal Year 2004. Issues requiring attention on an expedited basis are in a separate "fast track" bill. This bill includes supplemental needs with less immediate timing requirements.

We are submitting a combined package (both "fast track" and regular) that totals \$5.4 million in general funds. This reflects our administration's commitment to doing all we can to manage programs within the budget approved by the Legislature.

There are, however, always circumstances beyond our management control such as inmate health care costs for critically ill inmates and caseload growth in several programs. This bill totals \$820 thousand in general funds.

In some instances, we have been able to cover shortfalls in one area by excess appropriations in another. For instance, based on current estimates of general funds needed for the foundation formula, \$3.6 million can be transferred to cover other supplemental needs. The general fund capitalization of the debt retirement fund may also be reduced for two reasons: 1) the amount available for school debt reimbursement from the public school fund is higher than anticipated, and 2) the actual amount of school debt reimbursement is lower than anticipated.

The administration's goal is to do all we can to limit supplemental requests. To that end, we look forward to working with you on the funding levels for the Fiscal Year 2005 operating budget.

Sincerely yours,

/s/

Frank H. Murkowski
Governor

SB 315

SENATE BILL NO. 315 BY SENATOR BEN STEVENS BY REQUEST OF THE JOINT LEGISLATIVE SALMON INDUSTRY TASK FORCE, entitled:

"An Act relating to the administration of commercial fishing entry permit buy-back programs."

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

SB 316

SENATE BILL NO. 316 BY SENATOR BUNDE, entitled:

"An Act relating to motor vehicle safety belt violations."

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

SB 317

SENATE BILL NO. 317 BY SENATOR OLSON, entitled:

"An Act relating to operation of alcoholic beverage delivery sites; and providing for an effective date."

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

SB 318

SENATE BILL NO. 318 BY SENATOR SEEKINS, entitled:

"An Act relating to the individual right of Alaska residents in the consumptive use of fish and game."

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

SB 319

SENATE BILL NO. 319 BY SENATOR SEEKINS, entitled:

"An Act relating to claims for personal injury or wrongful death against health care providers; and providing for an effective date."

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

SB 320

SENATE BILL NO. 320 BY SENATOR SEEKINS, entitled:

"An Act relating to contracts between the University of Alaska and its employees involving research or other development of intellectual property and to the authority of the president of the University of Alaska regarding employee contracts for development of intellectual property."

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

SB 321

SENATE BILL NO. 321 BY SENATORS FRENCH, Hoffman, entitled:

"An Act amending the oil and gas properties production (severance) tax as it relates to oil to require payment of a tax of at least five percent of the gross value at the point of production after application of the economic limit factor and before any adjustments authorized by this Act, to provide for adjustments to the tax when the prevailing value of the oil either exceeds or falls below specified limits and to limit the effect of the adjustments, to exempt certain kinds of oil from application of the adjustments, to waive the payment of a portion of the tax on oil when its prevailing value falls below specified limits, and to defer the payment of a portion of the tax on oil when its prevailing value falls below specified limits; and providing for an effective date."

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

SB 322

SENATE BILL NO. 322 BY SENATOR BEN STEVENS BY REQUEST OF THE JOINT LEGISLATIVE SALMON INDUSTRY TASK FORCE, entitled:

"An Act relating to the rate of the salmon enhancement tax."

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

Consideration of the Calendar

Citations

Honoring – USA Hockey Tier I Pee Wee National Tournament
 Senator(s) Wilken, Therriault, Bunde, Cowdery, Davis, Dyson, Elton, French, Green, Guess, Hoffman, Lincoln, Seekins, Stedman, Ben Stevens, Gary Stevens, Wagoner

In Memoriam – Nona Hubley Campbell
 Senator(s) Gary Stevens, Therriault, Bunde, Cowdery, Davis, Dyson, Elton, Green, Guess, Hoffman, Lincoln, Seekins, Stedman, Ben Stevens, Wagoner, Wilken
 Representative(s) Ogg

In Memoriam – Don Nelson Bunker
 Senator(s) Gary Stevens, Therriault, Bunde, Cowdery, Davis, Dyson, Elton, Green, Guess, Hoffman, Lincoln, Seekins, Stedman, Ben Stevens, Wagoner, Wilken
 Representative(s) Seaton

In Memoriam – R.B. Jackson
 Senator(s) Gary Stevens, Therriault, Bunde, Cowdery, Davis, Dyson, Elton, Green, Guess, Hoffman, Lincoln, Seekins, Stedman, Ben Stevens, Wagoner, Wilken
 Representative(s) Seaton

In Memoriam – Walter Steciw

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

Representative(s) Seaton

In Memoriam – Michael Demchenko

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

Representative(s) Seaton

In Memoriam – Michael Kronowitz

Representative(s) Crawford

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

In Memoriam – Officer John Patrick Watson, Kenai Police Department

Representative(s) Wolf

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

Senator Wagoner, Acting Majority Leader, 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 Stedman moved and asked unanimous consent to be excused from a call of the Senate from February 16 to evening plane time, February 17. Without objection, Senator Stedman was excused.

Senator French moved and asked unanimous consent to be excused from a call of the Senate on February 13 and on February 16, to morning plane time. Without objection, Senator French was excused.

Senator Lincoln moved and asked unanimous consent to withdraw her excused absence on February 13. Without objection, it was so ordered.

Announcements

Announcements are at the end of the journal.

Adjournment

Senator Wagoner, Acting Majority Leader, moved and asked unanimous consent that the Senate stand in adjournment until 10:00 a.m., February 13, 2004. Without objection, the Senate adjourned at 11:35 a.m.

Kirsten Waid
Secretary of the Senate

February 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

Feb 11 Wednesday Fahrenkamp 203 1:30 PM
 + SB 269 PARENT ACCESS TO CHILD'S LIBRARY RECORDS

Feb 13 Friday Fahrenkamp 203 1:30 PM
 No Meeting Scheduled

FINANCE

Feb 11 Wednesday Senate Finance 532 9:00 AM
 += SB 136 RESIDENTIAL PROPERTY TAX EXEMPTION
 Bills Previously Heard/Scheduled
 += SB 283 APPROP: REVERSE 2003 CBR SWEEP

Feb 12 Thursday Senate Finance 532 9:00 AM
 + Department FY04 Status Reports:
 Health and Social Services
 Corrections
 Law
 Military and Veterans Affairs
 Public Safety
 Administration
 Community & Economic Development
 Revenue
 Bills Previously Heard/Scheduled

FINANCE (continued)

Feb 13 Friday Senate Finance 532 9:00 AM
 No Meeting Scheduled

HEALTH, EDUCATION & SOCIAL SERVICES

Feb 11 Wednesday Butrovich 205 1:30 PM
 + Bills Previously Heard/If Necessary
 *** Subcommittee Meeting ***
 + Overview: Department of Education &
 Early Development - The High School
 Graduation & Qualifying Exam for Special
 Education Students

JUDICIARY

Feb 11 Wednesday Butrovich 205 8:00 AM
 No Meeting Scheduled

Feb 13 Friday Butrovich 205 8:00 AM
 No Meeting Scheduled

LABOR & COMMERCE

Feb 12 Thursday Beltz 211 1:30 PM
 + SB 286 DIRECT MARKETING FISHERIES BUSINESS
 + SB 278 LABOR & WORKFORCE DEVELOPMENT FEES
 + SB 254 TOURISM & RECREATION ASSESSMENT

RESOURCES

Feb 11 Wednesday Senate Finance 532 12:00 PM
 -- Time and Location Change --
 Joint w/(H) Resources Committee Hearing
 Mining Industry Overview

RESOURCES (continued)

Feb 13 Friday Butrovich 205 3:30 PM
 No Meeting Scheduled

STATE AFFAIRS

Feb 12 Thursday Beltz 211 3:30 PM
 = SB 279 AHFC WATER & SEWER BONDS
 + HB 230 POLITICAL SIGNS ON PRIVATE PROPERTY
 SB 255 ILLEGAL USE TRAFFIC PREEMPTION DEVICE
 "Overview on "Help America Vote Act":
 Division of Elections

TRANSPORTATION

Feb 12 Thursday Butrovich 205 1:30 PM
 No Meeting Scheduled

Feb 28 Saturday Anchorage 9:30 AM
 -- Time and Location Change --
 Special Meeting: Overview of the Knik
 Arm Crossing
 Loussac Library 9:30 - 11:30 am

JOINT COMMITTEES

ARMED SERVICES COMMITTEE

Feb 25 Wednesday Senate Finance 532 3:00 PM
 Alaskan Command's Annual Address by
 Lt.General Carrol H."Howie" Chandler
 Testimony by Invitation Only

LEGISLATIVE BUDGET & AUDIT

Feb 19 Thursday House Finance 519 12:00 PM
 Audits and Other Committee Business

OTHER MEETINGS**CHILDREN'S CAUCUS**

Feb 17 **Tuesday** **Butrovich 205** **12:00 PM**
+ Let's Talk Healthy Relationships Program

ENERGY POLICY TASK FORCE

Feb 11 **Wednesday** **Anchorage** **9:30 AM**
 AIDEA/AEA Board Room
 813 W. Northern Lights Blvd., Third Floor
 9:30 am to 3:30 pm

JOINT SESSION

Feb 16 **Monday** **House Chamber** **11:00 AM**
 Address by U.S. Senator Ted Stevens

Feb 25 **Wednesday** **House Chamber** **11:00 AM**
 State of the Judiciary
 Chief Justice Alexander O. Bryner

Mar 16 **Tuesday** **House Chamber** **11:00 AM**
 Address by U.S. Senator Lisa Murkowski