

HOUSE JOURNAL

ALASKA STATE LEGISLATURE

TWENTY-FOURTH LEGISLATURE - FIRST SESSION

Juneau, Alaska

Monday

February 28, 2005

Fiftieth Day

Pursuant to adjournment the House was called to order by Speaker Harris at 11:12 a.m.

Roll call showed 31 members present. Representatives Anderson, Cissna, Guttenberg, Kelly, Kohring, Lynn, McGuire, and Rokeberg had been previously excused from a call of the House today.

Representative Coghill moved and asked unanimous consent that Representative Joule be excused from a call of the House today. There being no objection, it was so ordered.

The invocation was offered by the Chaplain, Pastor Robert Sherwood of the Church of the Nazarene. Representative LeDoux moved and asked unanimous consent that the invocation be spread on the journal. There being no objection, it was so ordered.

³Now there were four leprous men at the entrance of the gate; and they said to one another, "Why are we sitting here until we die? ⁴If we say, 'We will enter the city,' the famine is in the city, and we shall die there. And if we sit here, we die also. Now therefore, come, let us surrender to the army of the Syrians. If they keep us alive, we shall live; and if they kill us, we shall only die." ⁵And they rose at twilight to go to the camp of the Syrians; and when they had come to the outskirts of the Syrian camp, to their surprise no one was there. ⁶For the LORD had caused the army of the Syrians to hear the noise of chariots and the noise of horses--the noise of a great army; so they said to one another, "Look, the king of Israel has hired against us the kings of the Hittites and the kings of

the Egyptians to attack us!" ⁷Therefore they arose and fled at twilight, and left the camp intact--their tents, their horses, and their donkeys--and they fled for their lives. ⁸And when these lepers came to the outskirts of the camp, they went into one tent and ate and drank, and carried from it silver and gold and clothing, and went and hid them; ... ⁹Then they said to one another, "We are not doing right. This day is a day of good news, and we remain silent. If we wait until morning light, some punishment will come upon us. Now therefore, come, let us go and tell the king's household." (2 Kings 7:3-9)

We too have good news to tell of what we can do for the people of Alaska or what issues should interest them because a train might be coming.

Might we be as focused and committed as the Afghani freedom fighter when the Christian suggested that they dig trenches to avoid Russian artillery fire. The 24-year-old man said to the fellow suggesting protection, "If you aren't here to die, why are you here?"

I ask you the same question this Monday morning, ladies and gentlemen, "If you aren't here to die, why are you here?" If we are not here for honor, love, generosity, sacrifice, eternal values, what will be our legacy?

Empower these through Your Holy Spirit, Father, to set aside the god of self and to enthrone You as God of their lives, that You might endow them with courage to pursue eternal values through the power of Your presence. Transform this state through Your grace in these persons. With respect for all faiths and in the name of Jesus. Amen.

The Pledge of Allegiance was led by Representative Hawker.

CERTIFICATION OF THE JOURNAL

Representative Coghill moved and asked unanimous consent that the journal for the 47th, 48th, and 49th legislative days be approved as certified by the Chief Clerk. There being no objection, it was so ordered.

* * * * *

Representative Elkins introduced Taylor Gregg, Guest Page, from Ketchikan.

REPORTS OF STANDING COMMITTEES

HB 1

The Finance Committee has considered:

HOUSE BILL NO. 1

"An Act relating to the base student allocation used in the formula for state funding of public education; and providing for an effective date."

and recommends it be replaced with:

CS FOR HOUSE BILL NO. 1(HES)
(same title)

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

Do pass (6): Hawker, Holm, Stoltze, Foster, Meyer, Chenault

No recommendation (2): Weyhrauch, Kelly

Amend (1): Croft

The following fiscal note(s) apply to CSHB 1(HES):

3. Fiscal, Dept. of Education & Early Development
4. Fiscal, Dept. of Education & Early Development
5. Fiscal, Dept. of Military & Veterans' Affairs

HB 1 was referred to the Rules Committee for placement on the calendar.

HB 30

The Finance Committee has considered:

HOUSE BILL NO. 30

"An Act making appropriations for K-12 education operating and school debt expenses; and providing for an effective date."

and recommends it be replaced with:

CS FOR HOUSE BILL NO. 30(HES)
(same title)

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

Do pass (6): Hawker, Holm, Stoltze, Foster, Meyer, Chenault

No recommendation (2): Kelly, Weyhrauch

Amend (1): Croft

HB 30 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:

Commemorating - Law Enforcement Memorial Day, May 13, 2005
By Representative Harris

Honoring - Alaska Broadcasters Association
By Senator Ben Stevens

In Memoriam - Gary Foster
By Representatives Kohring, Gatto, Neuman, Stoltze; Senators Green, Huggins

In Memoriam - Helen E. Parker
By Representatives Kohring, Gatto, Neuman, Stoltze; Senators Green, Huggins

In Memoriam - Anthony "Tony" Arthur Morrison
By Senator Gary Stevens; Representative LeDoux

In Memoriam - Richard J. Stitt Sr.
By Senator Elton; Representatives Kerttula, Weyhrauch, Chenault

In Memoriam - Joseph A. Thomas
By Senator Elton; Representatives Kerttula, Weyhrauch

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

HB 157

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 157 by
Representatives Anderson and Thomas, entitled:

"An Act clarifying the powers of electric or telephone
cooperatives to become members of or own stock in other
entities."

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

HB 181

HOUSE BILL NO. 181 by Representative Coghill, entitled:

"An Act establishing a waiver for active duty military service of
continuing education requirements for renewal of occupational
licenses."

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

HB 182

HOUSE BILL NO. 182 by Representative Rokeberg, entitled:

"An Act amending the Alaska Wage and Hour Act as it relates to
the employment of a person acting in a supervisory capacity;
providing definitions for persons employed in administrative,
executive, and professional capacities, for persons working in the
capacity of an outside salesman, and for persons working in the
capacity of a salesman employed on a straight commission basis."

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

HB 183

HOUSE BILL NO. 183 by Representative Hawker, entitled:

"An Act relating to the use of campaign contributions for shared campaign activity expenses and to reimbursement of those expenses."

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

HB 184

HOUSE BILL NO. 184 by Representatives Chenault, Stoltze, and Neuman, entitled:

"An Act relating to firearms."

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

HB 185

HOUSE BILL NO. 185 by Representative Chenault, entitled:

"An Act relating to immunization of postsecondary students for meningitis; and providing for an effective date."

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

HB 186

HOUSE BILL NO. 186 by Representative Ramras, entitled:

"An Act relating to quarterly payments of a permanent fund dividend, and to a permanent fund dividend and eligibility for public assistance; and providing for an effective date."

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

HB 187

HOUSE BILL NO. 187 by the House Rules Committee by request of the Governor, entitled:

"An Act establishing the Alaska capital income account within the Alaska permanent fund; relating to deposits into the account; relating to certain transfers regarding the Amerada Hess settlement to offset the effects of inflation on the Alaska permanent fund; and providing for an effective date."

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

The following fiscal note(s) apply:

1. Zero, Dept. of Revenue

The Governor's transmittal letter dated February 25, 2005, follows:

"Dear Speaker Harris:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill establishing the State of Alaska Capital Corporation (corporation). The corporation would be a public corporation with the authority to issue bonds to finance up to \$350 million in state capital improvements, including the cost of issuing the bonds.

My intent is that the debt service on bonds issued by the corporation would be annually covered by appropriations from the earnings on the settlement proceeds derived from the *Amerada Hess* royalty settlement. I also am transmitting a companion bill that would separately identify the *Amerada Hess* earnings so that they are available to the legislature if there is a desire to use the money for this purpose.

The financing technique proposed in this bill would permit the state to leverage a funding source to obtain money for needed capital improvements from the sale of bonds on the major financial markets.

I urge your prompt and favorable action on this measure.

Sincerely yours,
/s/
Frank H. Murkowski
Governor"

HB 188

HOUSE BILL NO. 188 by the House Rules Committee by request of the Governor, entitled:

"An Act establishing the State of Alaska Capital Corporation; authorizing the issuance of bonds by the State of Alaska Capital Corporation to finance capital improvements in the state; and providing for an effective date."

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

The following fiscal note(s) apply:

1. Fiscal, Dept. of Revenue

The Governor's transmittal letter dated February 25, 2005, follows:

"Dear Speaker Harris:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill that would establish the Alaska capital income account as a separate account of the Alaska permanent fund, and would authorize the deposit into that account of the earnings on money received from State v. Amerada Hess, et al., 1JU-77-847 Civ. (Superior Court, First Judicial District).

In 1992, the state's oil and gas royalty litigation (State v. Amerada Hess, et al., 1JU-77-847 Civ. (Superior Court, First Judicial District)) was headed to trial. Both state and federal judges had expressed concerns about the capacity of Alaskan judges and jurors to participate in the case on an impartial basis in light of the fact that the earnings on the portion of any recovery in the case would be deposited into the

permanent fund and be used to pay the permanent fund dividends that all judges and jurors receive. AS 37.13.145(d) was enacted, which deposited into the principal of the permanent fund the earnings of all amounts received from settlement of this case. Thus, the concern about impartiality was resolved by disallowing the earnings from the settlement from being used in calculating the annual dividend amount.

The Amerada Hess litigation is now completed, though the possibility of a re-opener subject to an arbitration remains. Approximately \$425 million from this case, including earnings on settlement receipts and inflation-proofing, was deposited into the permanent fund.

This bill proposes to end inflation proofing of the part of the permanent fund principal attributable to the Amerada Hess settlement and to authorize the deposit of the earnings from the settlement proceeds into a separate account of the Alaska permanent fund called the Alaska capital income account. The money in this separate account could then be appropriated by the legislature for any valid public purpose, including covering debt service on bonds to finance capital improvements in the state issued by the State of Alaska Capital Corporation under a companion bill I also am transmitting.

I urge your prompt and favorable action on this measure.

Sincerely yours,

/s/

Frank H. Murkowski
Governor"

CONSIDERATION OF THE DAILY CALENDAR

SECOND READING OF HOUSE BILLS

HB 76

The following was read the second time:

HOUSE BILL NO. 76

"An Act relating to the Big Game Commercial Services Board and to the regulation of big game hunting services and transportation services; and providing for an effective date."

with the:	Journal Page
RES RPT 8DP	234
FN1: ZERO(DFG)	234
FN2: ZERO(DPS)	234
FN3: (CED)	234
FIN RPT CS(FIN) 3DP 5NR	284
FN1: ZERO(DFG)	284
FN2: ZERO(DPS)	284
FN4: ZERO(DNR)	284
FN5: (CED)	284

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

CS FOR HOUSE BILL NO. 76(FIN)
(same title)

There being no objection, it was so ordered.

Amendment No. 1 was offered by Representative Samuels:

Page 3, line 6, following "licenses":

Insert "**at the first meeting of the board after the applicant for the license satisfies the requirements for the license**"

Page 3, line 25:

Delete "[:"

Insert ";

(8) meet at least twice annually ["

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

Objection was heard and withdrawn. There being no further objection, Amendment No. 1 was adopted.

CSHB 76(FIN) am will advance to third reading on tomorrow's calendar.

HB 158

The following was read the second time:

HOUSE BILL NO. 158

"An Act relating to the public school account and renaming the public school account as the public education fund; and providing for an effective date."

with the:	Journal Page
FIN RPT 3DP 8NR	410
FN1: ZERO(EED)	410

Representative Coghill moved and asked unanimous consent that HB 158 be considered engrossed, advanced to third reading, and placed on final passage.

Objection was heard.

HB 158 will advance to third reading on tomorrow's calendar.

LEGISLATIVE CITATIONS

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

Honoring - Specialist Lennin Castellon, Fort Wainwright's Soldier of the Year

By Representatives Ramras, Coghill, Guttenberg, Harris, Holm, Kelly, Salmon, Anderson, Chenault, Crawford, Croft, Dahlstrom, Elkins, Gara, Gruenberg, Hawker, Kerttula, LeDoux, McGuire, Meyer, Neuman, Olson, Rokeberg, Samuels, Seaton, Stoltze, Thomas, Weyhrauch, Wilson; Senators Seekins, Therriault, Wilken

The Speaker stated that, without objection, the House would revert to:

MESSAGES FROM THE SENATE**SB 56**

A message dated February 28, 2005, was received stating the Senate has failed to concur in the House amendment to:

CS FOR SENATE BILL NO. 56(JUD)

"An Act relating to criminal law and procedure, criminal sentences, and probation and parole; and providing for an effective date."

namely,

HOUSE CS FOR CS FOR SENATE BILL NO. 56(FIN) am H
(same title)

and respectfully requests the House to recede from its amendment.

In the event the House does not recede, the President appointed the following members to a Conference Committee to meet with a like committee from the House to consider the above bills:

Senator Therriault, Chair
Senator Seekins
Senator French

RECEDE**SB 56**

Representative Coghill moved and asked unanimous consent that the House consider the Senate message at this time. There being no objection, it was so ordered.

Representative Coghill moved that the House recede from its amendment to CSSB 56(JUD), namely HCS CSSB 56(FIN) am H and recommended that the members vote no.

The question being: "Shall the House recede from its amendment to CSSB 56(JUD)?" The roll was taken with the following result:

HCS CSSB 56(FIN) am H
Recede

YEAS: 0 NAYS: 30 EXCUSED: 9 ABSENT: 1

Nays: Berkowitz, Chenault, Coghill, Crawford, Croft, Elkins, Foster, Gara, Gardner, Gatto, Gruenberg, Harris, Hawker, Holm, Kapsner, Kerttula, Kott, LeDoux, Meyer, Moses, Neuman, Olson, Ramras, Salmon, Samuels, Seaton, Stoltze, Thomas, Weyhrauch, Wilson

Excused: Anderson, Cissna, Guttenberg, Joule, Kelly, Kohring, Lynn, McGuire, Rokeberg

Absent: Dahlstrom

And so, the House failed to recede.

The Speaker appointed the following members to a Conference Committee to meet with the like committee from the Senate to consider the above bills:

Representative Samuels, Chair
Representative Coghill
Representative Gruenberg

The Chief Clerk notified the Senate.

UNFINISHED BUSINESS

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

Representative McGuire - from 7:00 a.m. to 10:00 p.m., March 1, 2005

HB 19

Representative Seaton added his name as cosponsor to:

HOUSE BILL NO. 19

"An Act relating to pesticides and broadcast chemicals; and providing for an effective date."

HB 26

Representative Samuels added his name as cosponsor to:

HOUSE BILL NO. 26

"An Act relating to short-term commercial fishing crewmember licenses; and providing for an effective date."

HB 76

Representative LeDoux added her name as cosponsor to:

CS FOR HOUSE BILL NO. 76(FIN) am

"An Act relating to the Big Game Commercial Services Board and to the regulation of big game hunting services and transportation services; and providing for an effective date."

HB 124

Representatives Wilson, Olson, Ramras, Croft, McGuire, and Elkins added their names as cosponsors to:

HOUSE BILL NO. 124

"An Act relating to the collection of, and the use of reasonable force to collect, a deoxyribonucleic acid sample from persons convicted of or adjudicated delinquent for certain crimes."

SJR 5

Representatives Crawford and Samuels added their names as cross sponsors to:

SENATE JOINT RESOLUTION NO. 5

Urging the United States Congress to reauthorize the Methane Hydrate Research and Development Act.

ENROLLMENT**HCR 1**

The following was enrolled, signed by the Speaker and Chief Clerk, President and Secretary of the Senate, and the engrossed and enrolled copies were transmitted to the Office of the Governor at 10:35 a.m., February 28, 2005:

HOUSE CONCURRENT RESOLUTION NO. 1
Relating to declaring March 2005 as Sobriety Awareness Month.

ANNOUNCEMENTS

House committee schedules are published daily under separate cover.

ADJOURNMENT

Representative Coghill moved and asked unanimous consent that the House adjourn until 10:00 a.m., March 1, 2005. There being no objection, the House adjourned at 12:02 p.m.

Suzi Lowell
Chief Clerk