

HOUSE JOURNAL

ALASKA STATE LEGISLATURE

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

Juneau, Alaska

Friday

February 3, 2006

Twenty-sixth Day

Pursuant to adjournment the House was called to order by Speaker Harris at 10:14 a.m.

Roll call showed 26 members present. Representatives Elkins, Guttenberg, Kohring, Moses, Neuman, Ramras, Rokeberg, Stoltze, and Thomas had been previously excused from a call of the House today. Representative Hawker was absent.

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

The invocation was offered by the Chaplain, Major Joe Huttenlocker of The Salvation Army. Representative McGuire moved and asked unanimous consent that the invocation be spread on the journal. There being no objection, it was so ordered.

O God, these our leaders of this great state of Alaska have given of themselves to the tasks at hand. A month is gone, a week is now ending. The past is gone, the present is passing, and the future is arriving. As they finish out this week, may they remember, "It is better for things to go in one ear and out the other than to go in one ear, get all mixed up, and then slip out of the mouth."

Continue Your blessing upon them. Thank You for their individual service and dedication to the communities they represent. May they remember that our children are the

promise and hope for a prosperous future, and "the difference between possible and impossible is hard work and commitment."

We thank You, O God, for those men and women who are serving this great state and our nation around the world in our military. We ask, O God, that Your hand be upon them. We ask, O God, the comfort of Your presence with their families, and we pray, Father, that as they serve they look to You. May You protect them, guide them, and give them the confidence, Lord, in what they are doing for it is the betterment of our world. We ask this, O God, in Your great name. May it be so. Amen.

The Pledge of Allegiance was led by Representative Cissna.

CERTIFICATION OF THE JOURNAL

Representative Coghill moved and asked unanimous consent that the journal for the 24th and 25th legislative days be approved as certified by the Chief Clerk. There being no objection, it was so ordered.

REPORTS OF STANDING COMMITTEES

The Community & Regional Affairs Committee has reviewed the qualifications of the following and recommends the appointment be forwarded to a joint session for consideration:

Mr. William Noll

as Commissioner of the Department of Commerce, Community and Economic Development.

The report was signed by Representatives Thomas and Olson, Co-chairs, and Representatives Cissna and Neuman.

HCR 5

The Community & Regional Affairs Committee has considered:

HOUSE CONCURRENT RESOLUTION NO. 5
Relating to support of community water fluoridation.

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

Do pass (5): Salmon, Neuman, Cissna, Thomas, Olson

The following fiscal note(s) apply:

1. Zero, Dept. of Environmental Conservation
2. Zero, Dept. of Environmental Conservation

HCR 5 was referred to the Health, Education & Social Services Committee.

HB 242

The Labor & Commerce Committee has considered:

HOUSE BILL NO. 242

"An Act relating to the deposit of certain penalties collected under the unemployment insurance program; requiring an employing unit with a change in ownership, management, or control to notify the Department of Labor and Workforce Development of the ownership change; regarding the unemployment contribution rate of an employing unit; and defining 'business' for purposes of statutes setting unemployment contribution rates; establishing the crime of obtaining an unemployment rate by deception; and providing for an effective date."

and recommends it be replaced with:

CS FOR HOUSE BILL NO. 242(L&C)

"An Act requiring an employing unit with a change in ownership, management, or control or similar change to notify the Department of Labor and Workforce Development of the change; relating to the unemployment contribution rate of an employing unit; defining 'business' for purposes of statutes setting unemployment contribution rates; establishing the crime of

obtaining an unemployment rate by deception; and providing for an effective date."

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

Do pass (7): Crawford, Lynn, Kott, LeDoux, Guttenberg, Rokeberg, Anderson

The following fiscal note(s) apply to CSHB 242(L&C):

1. Zero, Dept. of Labor & Workforce Development

HB 242 was referred to the Judiciary Committee.

HB 274

The Labor & Commerce Committee has considered:

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 274

"An Act relating to the practice of accounting; and providing for an effective date."

and recommends it be replaced with:

CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO.
274(L&C)
(same title)

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

Do pass (7): Crawford, Lynn, Kott, LeDoux, Guttenberg, Rokeberg, Anderson

The following fiscal note(s) apply to CSSHB 274(L&C):

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

SSHB 274 was referred to the Finance Committee.

HB 331

The Labor & Commerce Committee has considered:

HOUSE BILL NO. 331

"An Act relating to access by persons under 21 years of age to premises licensed to sell alcoholic beverages as clubs."

and recommends it be replaced with:

CS FOR HOUSE BILL NO. 331(L&C)

"An Act relating to access by persons under 21 years of age to premises licensed to sell alcoholic beverages as clubs when alcoholic beverages are not present and, when alcoholic beverages are present, to premises of a patriotic organization licensed as a club if the person possesses a valid active duty military or armed forces identification card issued by the United States government."

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

Do pass (7): Crawford, Lynn, Kott, LeDoux, Guttenberg, Rokeberg, Anderson

The following fiscal note(s) apply to CSHB 331(L&C):

1. Zero, Dept. of Military & Veterans' Affairs
2. Zero, Dept. of Public Safety

HB 331 was referred to the Finance Committee.

HB 361

The Finance Committee has considered:

HOUSE BILL NO. 361

"An Act relating to the dividend paid to the state by the Alaska Housing Finance Corporation; and providing for an effective date."

and recommends it be replaced with:

CS FOR HOUSE BILL NO. 361(FIN)

"An Act relating to subsidiary corporations of the Alaska Housing Finance Corporation and to the dividend paid to the state by the Alaska Housing Finance Corporation; and providing for an effective date."

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

Do pass (2): Foster, Meyer

No recommendation (4): Kerttula, Joule, Holm, Kelly

Amend (1): Weyhrauch

The following fiscal note(s) apply to CSHB 361(FIN):

2. Fiscal, Dept. of Revenue

HB 361 was referred to the Rules Committee for placement on the calendar.

HB 371

The Community & Regional Affairs Committee has considered:

HOUSE BILL NO. 371

"An Act relating to a community dividend program; and providing for an effective date."

and recommends it be replaced with:

CS FOR HOUSE BILL NO. 371(CRA)
(same title)

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

Do pass (3): Cissna, Salmon, LeDoux

No recommendation (4): Neuman, Kott, Olson, Thomas

The following fiscal note(s) apply to CSHB 371(CRA):

1. Zero, Dept. of Revenue
2. Fiscal, Dept. of Commerce, Community, & Economic Development

HB 371 was referred to the Finance Committee.

REPORTS OF SPECIAL COMMITTEES

HB 63

The House Special Committee on Ways & Means has considered:

HOUSE BILL NO. 63

"An Act relating to the oil and gas properties production (severance) tax as it applies to oil; establishing a minimum rate of tax for certain fields of five percent; providing for an adjustment to increase the tax collected when oil prices exceed \$20 per barrel and to reduce the tax collected when oil prices fall below \$16 per barrel; and providing for relief from the tax when the price per barrel is low or when the taxpayer demonstrates that a reduction in the tax is necessary to establish or reestablish production from an oil field or pool that would not otherwise be economically feasible."

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

Do pass (1): Gruenberg

No recommendation (4): Wilson, Seaton, Samuels, Weyhrauch

The following fiscal note(s) apply:

1. Fiscal, Dept. of Revenue

HB 63 was referred to the House Special Committee on Oil & Gas.

HB 223

The House Special Committee on Ways & Means has considered:

HOUSE BILL NO. 223

"An Act levying a tax on certain known resources of natural gas, conditionally repealing the levy of that tax, and authorizing a credit for payments of that tax against amounts due under the oil and gas properties production (severance) tax if requirements relating to the sale and delivery of the natural gas are met; and providing for an effective date."

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

Do pass (1): Gruenberg

No recommendation (3): Wilson, Samuels, Seaton

Amend (1): Weyhrauch

The following fiscal note(s) apply:

1. Indeterminate, Dept. of Revenue

HB 223 was referred to the House Special Committee on Oil & Gas.

HB 294

The House Special Committee on Oil & Gas has considered:

HOUSE BILL NO. 294

"An Act amending and extending the exploration and development incentive tax credit under the Alaska Net Income Tax Act for operators and working interest owners directly engaged in the exploration for and development of gas for delivery and sale from a lease or property in the state; providing for an effective date by amending the effective date for sec. 2, ch. 61, SLA 2003; and providing for an effective date."

and recommends it be replaced with:

CS FOR HOUSE BILL NO. 294(O&G)
(same title)

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

Do pass (1): Kohring

No recommendation (3): Samuels, Rokeberg, Dahlstrom

The following fiscal note(s) apply to CSHB 294(O&G):

1. Zero, Dept. of Revenue

HB 294 was referred to the Resources Committee.

INTRODUCTION OF CITATIONS

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

Honoring - Kenai Central High School Football Team, 2005 Small-Schools State Champions
By Representative Olson; Senator Wagoner

Honoring - Black History Month 2006, Celebrating Community: African American Fraternal Social and Civic Organizations
By Senator Davis

In Memoriam - Phillip Kamkoff
By Representative Foster

INTRODUCTION, FIRST READING, AND REFERENCE OF HOUSE BILLS

HB 145

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 145 by Representatives Gardner, Gara, and Cissna, entitled:

"An Act making an appropriation for construction of an integrated science complex at the University of Alaska; 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.

HB 421

HOUSE BILL NO. 421 by the House Rules Committee by request of the Governor, entitled:

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

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

The Governor's transmittal letter dated January 31, 2006, follows:

"Dear Speaker Harris:

Today I am transmitting two supplemental appropriation bills for Fiscal Year 2006. The enclosed bill, sometimes referred to as the "fast track" supplemental bill, includes items that have particularly tight time requirements that are not accommodated by the usual passage of supplemental appropriations in May.

The "fast track" supplemental totals \$13.5 million in general funds. The bill contains general fund requests of \$4.5 million for the Department of Corrections, primarily for inmate health care costs, \$4.1 million for disaster relief efforts, and \$2.6 million for the payment of judgments and claims, saving approximately \$30,000 in interest by inclusion in the "fast track" supplemental and the bill's potential passage in early March.

In addition, we are requesting federal funds of \$30.1 million for transportation projects that are ready to go to bid for the upcoming construction season.

I ask that this legislation be considered on a "fast track" with final action in early March.

Sincerely yours,

/s/

Frank H. Murkowski
Governor"

An accompanying spreadsheet from the Office of Management and Budget was attached and is on file in the Chief Clerk's office.

HB 422

HOUSE BILL NO. 422 by the House Rules Committee by request of the Governor, entitled:

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

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

The Governor's transmittal letter dated January 31, 2006, follows:

"Dear Speaker Harris:

I am transmitting to you today two supplemental appropriation bills for Fiscal Year 2006. Issues requiring attention on an expedited basis are in a separate "fast track" bill. The enclosed "regular" supplemental bill, however, includes supplemental needs with less immediate timing requirements. We are submitting a combined package (both "fast track" and "regular") that totals \$113.4 million in general funds. This reflects necessary program cost increases for the remainder of Fiscal Year 2006.

The largest item in the "regular" supplemental bill is \$78.9 million in general funds for the Medicaid program, \$44 million of which is due to the U.S. 9th District Appellate Court ruling against the state on the FairShare program. Also in this bill is \$3.2 million in general funds

for the Department of Corrections, due in large part to the increase in the number of prisoners. This bill totals \$99.9 million in general funds.

The overall total of supplemental spending is above what the administration had planned. Much of the requested funding is to cover increases due to events that were not anticipated last session—from unprecedented fuel cost increases, a record number of prisoners, to the court's disapproval of the Medicaid FairShare program that was started prior to this administration.

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

An accompanying spreadsheet from the Office of Management and Budget was attached and is on file in the Chief Clerk's office.

HB 423

HOUSE BILL NO. 423 by Representative Gara, entitled:

"An Act relating to the fees for business licenses; and providing for an effective date."

was read the first time and referred to the House Special Committee on Economic Development, Trade, & Tourism and the Labor & Commerce and Finance Committees.

HB 424

HOUSE BILL NO. 424 by the House Labor and Commerce Committee, entitled:

"An Act relating to mortgage lenders and persons who engage in activities relating to mortgage lending; and providing for an effective date."

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

CONSIDERATION OF THE DAILY CALENDAR**LEGISLATIVE CITATIONS**

Representative Coghill 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 - Woodworker - John Carlson and His Employees

By Representatives Thomas, Harris, Anderson, Berkowitz, Chenault, Cissna, Coghill, Crawford, Croft, Dahlstrom, Elkins, Gara, Gardner, Gatto, Gruenberg, Guttenberg, Hawker, Holm, Kapsner, Kelly, Kerttula, Kohring, Kott, LeDoux, Lynn, McGuire, Meyer, Neuman, Olson, Ramras, Rokeberg, Salmon, Samuels, Seaton, Stoltze, Weyhrauch, Wilson; Senator Kookesh

Honoring - Arlene Sandberg, 2006 Alaska Teacher of the Year

By Representatives Gruenberg, Kott, Harris, Anderson, Berkowitz, Chenault, Cissna, Coghill, Crawford, Croft, Dahlstrom, Elkins, Gara, Gardner, Gatto, Guttenberg, Hawker, Holm, Kapsner, Kelly, Kerttula, Kohring, LeDoux, Lynn, McGuire, Meyer, Neuman, Olson, Ramras, Rokeberg, Salmon, Samuels, Seaton, Stoltze, Thomas, Weyhrauch, Wilson; Senators Guess, Dyson

Honoring - Kevin McGowan, Eagle Scout

By Representatives Coghill, Harris, Anderson, Berkowitz, Chenault, Cissna, Crawford, Croft, Dahlstrom, Elkins, Gara, Gardner, Gatto, Gruenberg, Guttenberg, Hawker, Holm, Kapsner, Kelly, Kerttula, Kohring, Kott, LeDoux, Lynn, McGuire, Meyer, Neuman, Olson, Ramras, Rokeberg, Salmon, Samuels, Seaton, Stoltze, Thomas, Weyhrauch, Wilson

Honoring - Tom and Nancy Sweeney on Their 50th Golden Wedding Anniversary

By Senator Gary Stevens; Representatives LeDoux, Harris, Anderson, Berkowitz, Chenault, Cissna, Coghill, Crawford, Croft, Dahlstrom, Elkins, Gara, Gardner, Gatto, Gruenberg, Guttenberg, Hawker, Holm, Kapsner, Kelly, Kerttula, Kohring, Kott, Lynn, McGuire, Meyer, Neuman, Olson, Ramras, Rokeberg, Salmon, Samuels, Seaton, Stoltze, Thomas, Weyhrauch, Wilson

In Memoriam - William H. (Bill) Ahsehn

By Representatives Coghill, Harris, Anderson, Berkowitz, Chenault, Cissna, Crawford, Croft, Dahlstrom, Elkins, Foster, Gara, Gardner, Gatto, Gruenberg, Guttenberg, Hawker, Holm, Kapsner, Kelly, Kerttula, Kohring, Kott, LeDoux, Lynn, McGuire, Meyer, Neuman, Olson, Ramras, Rokeberg, Salmon, Samuels, Seaton, Stoltze, Thomas, Weyhrauch, Wilson

In Memoriam - Lance Corporal Grant B. Fraser

By Representatives Lynn, Harris, Anderson, Berkowitz, Chenault, Cissna, Coghill, Crawford, Croft, Dahlstrom, Elkins, Foster, Gara, Gardner, Gatto, Gruenberg, Guttenberg, Hawker, Holm, Joule, Kapsner, Kelly, Kerttula, Kohring, Kott, LeDoux, McGuire, Meyer, Moses, Neuman, Olson, Ramras, Rokeberg, Salmon, Samuels, Seaton, Stoltze, Thomas, Weyhrauch, Wilson; Senator Bunde

In Memoriam - Jan Fredericks

By Representatives Samuels, Harris, Anderson, Berkowitz, Chenault, Cissna, Coghill, Crawford, Croft, Dahlstrom, Elkins, Foster, Gara, Gardner, Gatto, Gruenberg, Guttenberg, Hawker, Holm, Kapsner, Kelly, Kerttula, Kohring, Kott, LeDoux, Lynn, McGuire, Meyer, Moses, Neuman, Olson, Ramras, Rokeberg, Salmon, Seaton, Stoltze, Thomas, Weyhrauch, Wilson

UNFINISHED BUSINESS

Representative Coghill 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 Coghill - from 1:00 p.m., February 3 to 10:00 a.m., plane time, February 6, 2006

Representative Olson - from 1:00 p.m., February 3 to 10:00 a.m., plane time, February 6, 2006

Representative Cissna - from 7:00 p.m., February 3 to 10:00 a.m., plane time, February 6, 2006

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Representative Gara - from 7:00 p.m., February 3 to 10:00 a.m., plane time, February 6, 2006

Representative Hawker - from 7:00 p.m., February 3 to 10:00 a.m., plane time, February 6, 2006

Representative Holm - from 7:00 p.m., February 3 to 10:00 a.m., plane time, February 6, 2006

Representative Croft - from 7:00 a.m., February 4 to 10:00 a.m., plane time, February 9, 2006

Representative Berkowitz - from 1:00 p.m., February 3 to 10:00 a.m., plane time, February 6, 2006

Representative Kelly - from 7:00 a.m., February 4 to 10:00 a.m., plane time, February 6, 2006

Representative LeDoux - from 7:00 a.m., February 4 to 10:00 a.m., plane time, February 6, 2006

Representative Seaton - from 2:30 p.m., February 5 to 9:30 p.m., plane time, February 10, 2006

HCR 5

Representative Salmon added his name as cosponsor to:

HOUSE CONCURRENT RESOLUTION NO. 5
Relating to support of community water fluoridation.

HB 331

Representatives Anderson, Kott, Crawford, Guttenberg, and LeDoux added their names as cosponsors to:

HOUSE BILL NO. 331
"An Act relating to access by persons under 21 years of age to premises licensed to sell alcoholic beverages as clubs."

HB 351

Representative Croft added his name as cosponsor to:

HOUSE BILL NO. 351

"An Act relating to the municipal endowment program."

HB 352

Representative Croft added his name as cosponsor to:

HOUSE BILL NO. 352

"An Act making a special appropriation from the general fund to the municipal endowment fund; and providing for an effective date."

HB 387

Representative Croft removed his name as prime sponsor and added it as first cosponsor; and Representative Thomas added his name as prime sponsor to the following:

HOUSE BILL NO. 387

"An Act providing for a partial tuition waiver for families of members of the Alaska National Guard; and directing the executive director of the Alaska Commission on Postsecondary Education to seek additional funding to support tuition waivers."

HB 393

Representatives McGuire and Wilson added their names as cosponsors to:

HOUSE BILL NO. 393

"An Act requiring that certain health care insurance plans provide coverage for the costs of colorectal cancer screening examinations and laboratory tests; and providing for an effective date."

HB 399

Representatives Salmon, Guttenberg, and Wilson added their names as cosponsors to:

HOUSE BILL NO. 399

"An Act establishing the office of elder fraud and assistance; and relating to fraud involving older Alaskans."

HB 403

Representative Croft added his name as cosponsor to:

HOUSE BILL NO. 403

"An Act relating to registration and operation of neighborhood electric vehicles."

HB 413

Representative Gara added his name as cosponsor to:

HOUSE BILL NO. 413

"An Act relating to the burning capability of cigarettes being sold, offered for sale, or possessed for sale; and providing for an effective date."

HB 416

Representative Wilson added her name as cosponsor to:

HOUSE BILL NO. 416

"An Act relating to the amount of the state business license fee."

ANNOUNCEMENTS

House committee schedules are published daily under separate cover.

The following meeting today has been changed as indicated:

Labor & Commerce Committee

CHANGED TO:

4:15 p.m.

ADJOURNMENT

Representative Coghill moved and asked unanimous consent that the House adjourn until 11:00 a.m., February 6, 2006. There being no objection, the House adjourned at 10:47 a.m.

Suzi Lowell
Chief Clerk

