

HOUSE JOURNAL

ALASKA STATE LEGISLATURE

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

Juneau, Alaska

Wednesday

March 22, 2006

Seventy-third Day

Pursuant to adjournment the House was called to order by Speaker Harris at 10:12 a.m.

Roll call showed 38 members present. Representatives Holm and Weyhrauch were absent and their presence was noted later.

The invocation was offered by the Chaplain, Andrea Doll of Juneau Unitarian Universalist Fellowship. Representative Gardner moved and asked unanimous consent that the invocation be spread on the journal. There being no objection, it was so ordered.

In the deepest respect for religious beliefs of each person here, I invite you into a time of prayer and reflection. Let us pray.

Creator, we begin this day in acknowledgement of Your presence in quietness, in stillness, and in peace. Guide our thoughts and the words we choose. Enlarge our understanding of love so that we might embrace our world. We are Your creation, let us walk today in Your presence in humility and in gratitude. Thank You. In Your holy name, Amen.

The Pledge of Allegiance was led by Representative Foster.

CERTIFICATION OF THE JOURNAL

Representative Coghill moved and asked unanimous consent that the journal for the 71st and 72nd legislative days be approved as certified by the Chief Clerk. There being no objection, it was so ordered.

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Representative Stoltze introduced Tavish Logan, Guest Page, from Anchorage.

MESSAGES FROM THE SENATE

A message dated March 20, 2006, was read stating the Senate has passed the following and they are transmitted for consideration:

FIRST READING AND REFERENCE OF SENATE BILLS

SB 216

CS FOR SENATE BILL NO. 216(JUD) by the Senate Judiciary Committee, entitled:

"An Act relating to bail and unlawful evasion; and providing for an effective date."

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

SB 249

CS FOR SENATE BILL NO. 249(JUD) by the Senate Judiciary Committee, entitled:

"An Act relating to criminal justice information."

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

SB 273

SENATE BILL NO. 273 by Senator Cowdery, entitled:

"An Act relating to a motor vehicle dealer's selling or offering to sell motor vehicles as new or current models or as new or current model motor vehicles having manufacturer's warranties."

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

SB 304

SENATE BILL NO. 304 by the Senate Transportation Committee, entitled:

"An Act relating to the privileges of airport parking shuttles and to fees or charges imposed on a person who is not a lessee or holder of a privilege to use the property or a facility of an airport."

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

REPORTS OF STANDING COMMITTEES

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

Mr. Randy H. Eledge

as a member of the State Commission for Human Rights.

The report was signed by Representative Seaton, Chair; and Representatives Gardner, Lynn, Gatto, Gruenberg, Elkins, and Ramras.

**The presence of Representative Holm was noted.

HJR 18

The Transportation Committee has considered:

HOUSE JOINT RESOLUTION NO. 18
Relating to the federal Maritime Transportation Security Act of 2002 and the state's right to tax commercial passenger vessels.

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

Do pass (2): Gatto, Elkins

No recommendation (3): Kohring, Thomas, Salmon

The following fiscal note(s) apply:

1. Zero, House Transportation Committee/Legislative Agency

HJR 18 was referred to the Finance Committee.

HB 488

The Resources Committee has considered:

HOUSE BILL NO. 488

"An Act repealing the oil production tax and gas production tax and providing for a production tax on the net value of oil and gas; relating to the relationship of the production tax to other taxes; relating to the dates tax payments and surcharges are due under AS 43.55; relating to interest on overpayments under AS 43.55; relating to the treatment of oil and gas production tax in a producer's settlement with the royalty owner; relating to flared gas, and to oil and gas used in the operation of a lease or property, under AS 43.55; relating to the prevailing value of oil or gas under AS 43.55; providing for tax credits against the tax due under AS 43.55 for certain expenditures, losses, and surcharges; relating to statements or other information required to be filed with or furnished to the Department of Revenue, and relating to the penalty for failure to file certain reports, under AS 43.55; relating to the powers of the Department of Revenue, and to the disclosure of certain information required to be furnished to the Department of Revenue, under AS 43.55; relating to criminal penalties for violating conditions governing access to and use of confidential information relating to the oil and gas production tax; relating to the deposit of money collected by the Department of Revenue under AS 43.55; relating to the calculation of the gross value at the point of production of oil or gas; relating to the determination of the net value of taxable oil and gas for purposes of a production tax on the net value of oil and gas; relating to the definitions of 'gas,' 'oil,' and certain other terms for purposes of AS 43.55; making conforming amendments; and providing for an effective date."

and recommends it be replaced with:

CS FOR HOUSE BILL NO. 488(RES)

"An Act repealing the oil production tax and gas production tax and providing for a production tax on oil and gas; relating to the relationship of that tax to other taxes, to the dates those tax payments and surcharges are due, to interest on overpayments of the tax, and to the treatment of the tax in a producer's settlement with the royalty owners; relating to flared gas, and to oil and gas used in the operation of a lease or property under the production tax; relating to the prevailing value of oil or gas under the production tax; providing for tax credits against the tax for certain expenditures and losses; amending the rates applicable to each of the two tax surcharges imposed on oil under the production tax that are used to support the oil and hazardous substance release prevention and response fund and relating to those surcharges; relating to statements or other information required to be filed with or furnished to the Department of Revenue, and relating to the penalty for failure to file certain reports, for the tax; relating to the powers of the Department of Revenue, and to the disclosure of certain information required to be furnished to the Department of Revenue, as applicable to the administration of the tax; relating to criminal penalties for violating conditions governing access to and use of confidential information relating to the tax, and to the deposit of tax money collected by the Department of Revenue; relating to the calculation of the gross value at the point of production of oil or gas; relating to the determination of the production tax value of oil and gas for purposes of a tax on the production tax value of oil and gas; relating to the definitions of 'gas,' 'oil,' and certain other terms for purposes of the production tax, and as the definition of the term 'gas' applies in the Alaska Stranded Gas Development Act; making conforming amendments; making uniform throughout the state the deadline for certain exploration expenditures used as credits against the production tax on oil and gas produced from a lease or property in the state by extending to July 1, 2016, the deadline for those expenditures and limiting use of the resultant credits; and providing for an effective date."

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

Do pass (6): Gatto, Seaton, Elkins, Olson, Ramras, Samuels

Do not pass (1): Crawford

Amend (1): Kapsner

The following fiscal note(s) apply to CSHB 488(RES):

1. Zero, Dept. of Natural Resources
2. Fiscal, Dept. of Revenue

HB 488 was referred to the Finance Committee.

INTRODUCTION OF CITATIONS

The following citation was introduced and referred to the Rules Committee for placement on the calendar:

Honoring - Alaska Tanker Company
By Representative Kohring

CONSIDERATION OF THE DAILY CALENDAR

SECOND READING OF HOUSE BILLS

HB 395

The following was read the second time:

HOUSE BILL NO. 395
"An Act extending the period of the fire season."

with the:	Journal Page
RES RPT 6DP 1NR	2459
FN1: (DNR)	2459
FIN RPT CS(FIN) NT 5DP 2NR 1AM	2713
FN2: ZERO(H.FIN/DNR)	2713

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. 395(FIN)

"An Act relating to the period of the fire season; and providing for an effective date."

There being no objection, it was so ordered.

Representative Coghill moved and asked unanimous consent that CSHB 395(FIN) be considered engrossed, advanced to third reading, and placed on final passage. There being no objection, it was so ordered.

CSHB 395(FIN) was read the third time.

The question being: "Shall CSHB 395(FIN) pass the House?" The roll was taken with the following result:

CSHB 395(FIN)

Third Reading

Final Passage

YEAS: 39 NAYS: 0 EXCUSED: 0 ABSENT: 1

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

Absent: Weyhrauch

And so, CSHB 395(FIN) passed the House.

Representative Coghill moved and asked unanimous consent that the roll call on the passage of the bill be considered the roll call on the effective date clause. There being no objection, it was so ordered.

CSHB 395(FIN) was referred to the Chief Clerk for engrossment.

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:

In Memoriam - Carl F. Brady, Sr.

By Senator Ben Stevens; Representatives Harris, Anderson, Berkowitz, Chenault, Cissna, Coghill, Crawford, Croft, Dahlstrom, Elkins, Foster, Gara, Gatto, Gruenberg, Guttenberg, Hawker, Holm, Joule, Kapsner, Kelly, Kerttula, Kohring, Kott, LeDoux, Lynn, McGuire, Meyer, Moses, Neuman, Olson, Rokeberg, Salmon, Samuels, 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 Neuman - from 7:00 p.m., March 23 to 10:00 a.m., plane time, March 27, 2006

Representative Olson - from 7:00 p.m., March 23 to 10:00 a.m., plane time, March 27, 2006

Representative Rokeberg - from 7:00 p.m., March 23 to 10:00 a.m., plane time, March 27, 2006

Representative Croft - from 7:00 a.m., March 23 to 10:00 p.m., plane time, March 25, 2006

Representative Joule - from 1:00 p.m., March 23 to 2:00 p.m., plane time, March 27, 2006

RECONSIDERATION**HB 300**

Representative Kohring brought up reconsideration of the vote on CSHB 300(O&G)(fld H) (page 2715).

The following, which had been held on reconsideration (page 2812), was again before the House in third reading:

CS FOR HOUSE BILL NO. 300(O&G)

"An Act relating to the qualifications of the member of the Alaska Oil and Gas Conservation Commission who need not be certified, trained, or experienced in either the field of petroleum engineering or the field of petroleum geology."

Representative Kohring placed a call of the House.

**The presence of Representative Weyhrauch was noted.

Representative Kohring lifted the call.

Representative Gardner moved and asked unanimous consent that CSHB 300(O&G) be returned to second reading for the specific purpose of considering Amendment No. 1. There being no objection, it was so ordered.

Amendment No. 1 was offered by Representative Gardner:

Page 1, line 3, following "**geology**" (title amendment):

Insert "**, and prohibiting commission members from holding office in a political party or acting as fundraisers for a political party**"

Page 2, following line 29:

Insert a new bill section to read:

** **Sec. 3.** AS 31.05.009 is amended by adding a new subsection to read:

(b) A member of the commission may not hold office in a political party or act as a fundraiser for a political party."

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

Representative Rokeberg objected.

The Speaker stated that, without objection, the House would recess to allow the members of the Senate to enter the Chamber; and so, the House recessed at 10:56 a.m.

AFTER RECESS

The Speaker called the House back to order at 11:05 a.m.

JOINT SESSION IN THE HOUSE

In accordance with Uniform Rule 51, Speaker Harris turned the gavel over to President Ben Stevens who called the joint session to order at 11:05 a.m.

The purpose of the joint session was to hear an address by the Honorable Ted Stevens, U.S. Senator.

Senator Gary Stevens moved and asked unanimous consent that the roll call of the Senate be waived and all members be shown as present. There being no objection, it was so ordered.

Representative Coghill moved and asked unanimous consent that the roll call of the House be waived and all members be shown as present. There being no objection, it was so ordered.

President Ben Stevens appointed Representative Moses and Senator Cowdery to escort the Honorable Ted Stevens to the joint session.

The Senate Sergeant-at-Arms announced the Senator's entrance into the House Chamber.

Senator Ted Stevens was escorted to the rostrum and welcomed by President Ben Stevens.

Senator Ted Stevens delivered his address and it is published in House and Senate Joint Journal Supplement No. 14.

A question and answer period followed the conclusion of the Senator's speech.

Senator Ted Stevens received a standing ovation and was escorted from the Chamber by Representative Moses and Senator Cowdery.

Senator Gary Stevens moved and asked unanimous consent that the joint session adjourn. There being no objection, President Ben Stevens adjourned the joint session at 12:03 p.m.

The Speaker ordered the House at ease to allow members of the Senate to leave the Chamber.

IN THE HOUSE

The Speaker called the House back to order at 12:09 p.m.

The Speaker stated that, without objection, the House would recess until 12:45 p.m.; and so, the House recessed at 12:09 p.m.

AFTER RECESS

The Speaker called the House back to order at 12:52 p.m.

RECONSIDERATION

(continued)

HB 300

The following was again before the House with Amendment No. 1 moved and pending:

CS FOR HOUSE BILL NO. 300(O&G)

"An Act relating to the qualifications of the member of the Alaska Oil and Gas Conservation Commission who need not be certified, trained, or experienced in either the field of petroleum engineering or the field of petroleum geology."

Amendment to Amendment No. 1 (page 2839) was offered by Representative Gardner:

Following "**party**":

Delete "**or acting as fundraisers for a political party**"

Following "party":

Delete "or act as a fundraiser for a political party"

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

There was objection.

The question being: "Shall Amendment to Amendment No. 1 be adopted?" The roll was taken with the following result:

CSHB 300(O&G)--RECONSIDERATION

Second Reading

Amendment to Amendment No. 1

YEAS: 20 NAYS: 13 EXCUSED: 0 ABSENT: 7

Yeas: Berkowitz, Cissna, Coghill, Crawford, Croft, Gara, Gardner, Gatto, Harris, Joule, Kelly, Kerttula, Kott, Lynn, Meyer, Moses, Rokeberg, Samuels, Seaton, Wilson

Nays: Chenault, Dahlstrom, Elkins, Gruenberg, Guttenberg, Hawker, Holm, Kohring, Olson, Ramras, Stoltze, Thomas, Weyhrauch

Absent: Anderson, Foster, Kapsner, LeDoux, McGuire, Neuman, Salmon

And so, Amendment to Amendment No. 1 was adopted.

Representative Gardner moved and asked unanimous consent that Amendment No. 1 as amended be withdrawn. There being no objection, it was so ordered.

Representative Gardner moved and asked unanimous consent that CSHB 300(O&G) be returned to second reading for the specific purpose of considering Amendment No. 2. There being no objection, it was so ordered.

Amendment No. 2 was offered by Representatives Gruenberg, Gardner, and Guttenberg:

Page 1, line 3, following "**geology**" (title amendment):

Insert "**, and prohibiting commission members from political activities prohibited under AS 15.13.020(e)**"

Page 2, following line 29:

Insert a new bill section to read:

"* **Sec. 3.** AS 31.05.009 is amended by adding a new subsection to read:

(b) A member of the commission, during tenure, may not engage in any activity prohibited under AS 15.13.020(e)."

Representative Gardner moved and asked unanimous consent that Amendment No. 2 be adopted.

Representative Kohring objected.

The question being: "Shall Amendment No. 2 be adopted?" The roll was taken with the following result:

CSHB 300(O&G)--RECONSIDERATION

Second Reading

Amendment No. 2

YEAS: 16 NAYS: 24 EXCUSED: 0 ABSENT: 0

Yeas: Berkowitz, Cissna, Coghill, Crawford, Croft, Dahlstrom, Gara, Gardner, Gruenberg, Guttenberg, Joule, Kapsner, Kerttula, Moses, Salmon, Stoltze

Nays: Anderson, Chenault, Elkins, Foster, Gatto, Harris, Hawker, Holm, Kelly, Kohring, Kott, LeDoux, Lynn, McGuire, Meyer, Neuman, Olson, Ramras, Rokeberg, Samuels, Seaton, Thomas, Weyhrauch, Wilson

And so, Amendment No. 2 was not adopted.

The question to be reconsidered: "Shall CSHB 300(O&G) pass the House?" The roll was taken with the following result:

CSHB 300(O&G)--RECONSIDERATION

Third Reading

Final Passage

YEAS: 25 NAYS: 15 EXCUSED: 0 ABSENT: 0

Yeas: Anderson, Chenault, Coghill, Dahlstrom, Elkins, Foster, Gruenberg, Harris, Hawker, Holm, Joule, Kapsner, Kelly, Kohring, Kott, LeDoux, McGuire, Meyer, Moses, Olson, Ramras, Rokeberg, Samuels, Thomas, Weyhrauch

Nays: Berkowitz, Cissna, Crawford, Croft, Gara, Gardner, Gatto, Guttenberg, Kerttula, Lynn, Neuman, Salmon, Seaton, Stoltze, Wilson

And so, CSHB 300(O&G) passed the House on reconsideration and was referred to the Chief Clerk for engrossment.

UNFINISHED BUSINESS

HJR 27

Representative Kapsner added her name as cosponsor to:

HOUSE JOINT RESOLUTION NO. 27

Urging the United States Congress to pass legislation amending the Alaska Native Vietnam Veterans Allotment Act to allow deserving veterans to obtain allotments of vacant land within the State of Alaska; and to reopen and legislatively approve allotments in the Tongass National Forest.

HB 395

Representatives Kerttula, Guttenberg, and Lynn added their names as cosponsors to:

CS FOR HOUSE BILL NO. 395(FIN)

"An Act relating to the period of the fire season; and providing for an effective date."

HB 400

Representative LeDoux added her name as cosponsor to:

HOUSE BILL NO. 400

"An Act relating to disasters and confiscation of firearms."

HB 415

Representative Gatto added his name as cosponsor to:

HOUSE BILL NO. 415

"An Act relating to landowners' immunity for allowing use of land for a recreational activity; and providing for an effective date."

HB 471

Representative Elkins added his name as cosponsor to:

HOUSE BILL NO. 471

"An Act amending the Knik Arm Bridge and Toll Authority Act and the powers and authority of the authority, and making conforming changes to statutes relating to issuance, renewal, or reinstatement of driver's licenses and to levy on permanent fund dividends; and providing for an effective date."

SB 216

Representative Stoltze added his name as cross sponsor to:

CS FOR SENATE BILL NO. 216(JUD)

"An Act relating to bail and unlawful evasion; and providing for an effective date."

ENGROSSMENT**HB 12**

Reconsideration of the following was not taken up on this legislative day. It was engrossed and signed by the Speaker and Chief Clerk:

CS FOR HOUSE BILL NO. 12(JUD) am

"An Act relating to televisions, monitors, portable computers, and similar devices in motor vehicles; and providing for an effective date."

HB 300

CSHB 300(O&G) was engrossed, signed by the Speaker and Chief Clerk and transmitted to the Senate for consideration.

HB 395

CSHB 395(FIN) was engrossed, signed by the Speaker and Chief Clerk and transmitted to the Senate for consideration.

ANNOUNCEMENTS

House committee schedules are published daily under separate cover.

The following meetings today have been changed as indicated:

Judiciary Committee
CHANGED TO: upon adjournment

Resources Committee
CHANGED TO: upon adjournment

Finance Committee
CHANGED TO: 2:30 p.m.

Labor & Commerce Committee
CHANGED TO: 4:00 p.m.

ADJOURNMENT

Representative Coghill moved and asked unanimous consent that the House adjourn until 10:00 a.m., March 24, 2006. There being no objection, the House adjourned at 1:48 p.m.

Suzi Lowell
Chief Clerk