

HOUSE JOURNAL
ALASKA STATE LEGISLATURE
TWENTY-FIFTH LEGISLATURE
FOURTH SPECIAL SESSION

Juneau, Alaska

Wednesday

July 9, 2008

First Day

The House was called to order by Speaker Harris at 10:37 a.m., convening the Fourth Special Session pursuant to the Governor's proclamation dated July 1, 2008 (page 3177).

Roll call showed 35 members present. Representative Wilson had been excused from a call of the House today. Representative Gara was absent and his presence was noted later.

Representative Samuels 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 Gruenberg – from today to evening plane time, July 10

Representative Edgmon – from today to evening plane time, tonight

Representative Nelson – from today to 8:30 p.m., July 10

The invocation was offered by the Chaplain, Representative Coghill. Representative Roses moved and asked unanimous consent that the invocation be spread on the journal. There being no objection, it was so ordered.

Almighty God, we stand before you today asking for your direction. Our hearts are torn with wanting to be with our families and communities and desiring to do our best in representing the people of Alaska during this special session.

We are grateful for having this beautiful land to live and work in. In our recent travels to the different communities we have been refreshed with the attention and hospitality of the people around this wonderful state.

We acknowledge the needs of our people and ask for wisdom from above to think honorably and clearly as we discuss the different policy choices put before us in this session. We understand the responsibility before us and look for guidance to act justly with compassion.

Now for the work of the day: We expect to work with confidence for our people and with help from your unseen hand. We are grateful for the privilege to serve.

I pray in the name of Jesus the Christ. Amen.

The Pledge of Allegiance was led by Representative Holmes.

CERTIFICATION OF THE JOURNAL

Representative Samuels moved and asked unanimous consent that the journal for the 8th through 30th legislative days of the Third Special Session be approved as certified by the Chief Clerk. There being no objection, it was so ordered.

INTRODUCTION OF CITATIONS

The following citations were introduced and taken up later as a Special Order of Business:

Honoring – Juneau-Douglas High School Baseball Team, 2008 State Champions

By Representatives Doll, Kerttula; Senator Elton

Honoring – Juneau-Douglas High School Girls Softball Team, 2008 State Champions

By Representatives Doll, Kerttula; Senator Elton

Honoring – Point Hope Volunteer Search & Rescue
By Representative Joule; Senator Olson

Honoring – Anchorage Neighborhood Health Center, Dr. Tom Hunt
and Entire Medical and Dental Staff, Health Care Heroes
By Senator Ellis; Representative Gara

Honoring – Anchorage Neighborhood Health Center, Joan Fisher and
the Entire Staff, Health Care Heroes
By Senator Ellis; Representative Gara

Honoring – Kodiak High Girls Softball Team, 2008 State Small
Schools Softball Champions
By Senator Stevens; Representative LeDoux

In Memoriam – Glen D. Franklin
By Representative Kelly

In Memoriam – Gail Caroline Osborn Steen
By Senator Kookesh; Representative Thomas

In Memoriam – Louis B. Schilling
By Senator Wagoner; Representative Chenault

In Memoriam – Roger J. Menadelook, Jr.
By Senator Olson; Representative Foster

In Memoriam – Donald Anthony "Tony" Chatto
By Senator Stevens; Representative LeDoux

INTRODUCTION, FIRST READING, AND REFERENCE OF HOUSE BILLS

HB 4001

HOUSE BILL NO. 4001 by the House Rules Committee by request of
the Governor, entitled:

"An Act making supplemental appropriations, capital
appropriations, reappropriations, and other appropriations; making
appropriations to capitalize a fund; and providing for an effective
date."

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

The Governor's transmittal letter dated July 8, 2008, follows:

"Dear Speaker Harris:

Today I am transmitting to you the appropriation bill referenced in the call for the second special session for the Alaska Gasline Inducement Act (AGIA). Legislative approval of the AGIA licensee will require funds for the inducement, implementation costs, job training for Alaskans, in-state gas use, and the infrastructure necessary for gas pipeline construction.

The appropriation bill totals nearly \$377 million and includes the following:

- \$164.0 million to fully capitalize the \$500 million AGIA reimbursement fund when combined with reappropriation of the \$300 million, plus an estimated \$36 million in interest, from the Alaska Housing Finance Corporation into the AGIA reimbursement fund;
- \$31.0 million for planning and design of necessary improvements to the Dalton, Elliott, Richardson, Alaska, and Haines Highways;
- \$75.4 million for Dalton Highway reconstruction;
- \$23.5 million for Haines Highway reconstruction, realignment and Chilkat River Bridge replacement;
- \$42.7 million for workforce development activities;
- \$25.0 million for the Alaska Natural Gas Development Authority for in-state gas use; and
- \$15.0 million to the Department of Natural Resources for gas pipeline implementation.

Project specific back-up is posted on the Office of Management and Budget's website and will be provided to the Finance Committee co-chairs.

I look forward to a successful special session that results in securing Alaska's economic future through building a natural gas pipeline.

Sincerely,
/s/
Sarah Palin
Governor"

HB 4002

HOUSE BILL NO. 4002 by the House Rules Committee by request of the Governor, entitled:

"An Act establishing the Alaska resource rebate program and relating to the program; and providing for an effective date."

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

The following fiscal note(s) apply:

1. Zero, Dept. of Administration
2. Fiscal, Dept. of Health & Social Services
3. Fiscal, Dept. of Revenue

The Governor's transmittal letter dated July 8, 2008, follows:

"Dear Speaker Harris:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill that proposes a special one-time "resource rebate" payment in the amount of \$1,200 to Alaskans.

As fiscal year 2008 ended June 30th, the state found itself in unique financial circumstances. Increased revenue flowing to the state from taxes assured Alaskans a significant surplus. Billions of dollars have been appropriated to savings accounts and funding priorities like education and municipal revenue sharing have been met.

The special one-time payment in the amount of \$1,200 proposed under this bill would allow Alaskans, as the owners of the resources, to decide how to spend a portion of excess revenue from those resources. This may include addressing the higher energy costs they are experiencing, whether by off-setting fuel purchases or making improvements to increase energy efficiency.

My hope is payments to Alaskans could start being mailed in the form of checks as soon as September, 2008.

I would also note that work continues on a statewide plan to reduce energy costs, promote energy conservation, and secure long term energy supply solutions for each region of the state. The results are expected by the end of the year and I look forward to working with you on these issues.

I urge your prompt and favorable action on the bill.

Sincerely,

/s/

Sarah Palin
Governor"

HB 4003

HOUSE BILL NO. 4003 by the House Rules Committee by request of the Governor, entitled:

"An Act making supplemental appropriations to the Alaska Energy Authority for power cost equalization; making special appropriations to the Department of Revenue and to the Department of Health and Social Services for the Alaska resource rebate program; making a special appropriation to the Department of Revenue for the payment of certain shared taxes relating to aviation fuel; and providing for an effective date."

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

The Governor's transmittal letter dated July 8, 2008, follows:

"Dear Speaker Harris:

I am transmitting to you a bill designed to provide Alaskans with a one-time resource rebate and relief from high energy costs. The appropriation bill totals nearly \$821 million and includes the following:

- \$800 million for a one-time payment to eligible individuals through the Alaska Resource Rebate Program and associated administrative costs. These payments represent a distribution of Alaska's resource wealth to the owners of the resources;
- \$10.7 million to hold harmless an individual from losing public assistance payments or veterans' benefits as a result of the resource rebate program;
- \$9.6 million in power cost equalization funds to cover the shortfall in funding for FY2008 and FY2009 due to increased energy costs; and
- the amount necessary, estimated at \$150,000, to hold harmless municipal-owned airports for the loss of shared taxes due to the suspension of the aviation fuel tax.

Information on these specific requests will be posted on the Office of Management and Budget's website and will be transmitted to the Finance Committee co-chairs.

I look forward to a successful special session that results in helping Alaskans with the high cost of energy.

Sincerely,

/s/

Sarah Palin
Governor"

HB 4004

HOUSE BILL NO. 4004 by the House Rules Committee by request of the Governor, entitled:

"An Act suspending the motor fuel tax; and providing for an effective date."

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

The following fiscal note(s) apply:

1. Fiscal, Dept. of Revenue

The Governor's transmittal letter dated July 8, 2008, follows:

"Dear Speaker Harris:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill that would provide a one-year suspension of the state motor fuel tax. The tax applies to gasoline, aviation gasoline, aviation ("jet") fuel, and marine motor fuel.

Alaskans face some of the highest fuel prices in the nation. These high prices affect passenger travel and the cost of just about everything we use or consume. Alaskans are particularly vulnerable to high fuel costs.

Most goods have to be shipped very long distances to get to store shelves in Alaska. Each year, hundreds of thousands of containers carrying items Alaskans use every day have to be shipped by sea or truck 2,000 miles or more just to reach our population center in Anchorage. From there, goods must be shipped again to the many Alaska communities (roughly 82 percent) that can only be reached by air transportation. The reverse situation is also true as containers carrying Alaska's exports and seafood are shipped south or overseas.

This movement of goods over long distances consumes large amounts of fuel and subjects Alaskans to a heavy impact from fuel price increases.

Similarly, as aviation gas and jet fuel prices rise, air carriers are forced to increase prices for passenger service. This hinders the ability of Alaskans to move between our remote communities and urban areas.

Suspending the motor fuel tax is a step towards providing some relief to Alaskans and the Alaska economy. Some examples of benefits are:

- An Alaska fisherman putting around 2,000 hours a year on his engine and generator and using about 11 gallons per hour would save about \$1,200.
- A regional air carrier using 3,500,000 gallons of aviation gasoline a year would save roughly \$164,500.

It is important to note that while suspending the motor fuel tax will provide a temporary reduction in the cost of motor fuel, we still need to work together to seek additional solutions to the energy cost issues facing us.

I urge your prompt and favorable action on the bill.

Sincerely,

/s/

Sarah Palin
Governor"

UNFINISHED BUSINESS

Representative Samuels 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 Fairclough – from 6:00 a.m., July 31 to evening plane time, August 4; and from 6:00 a.m., November 16 to evening plane time, November 21

Representative Foster – from 8:30 a.m. to 3:00 p.m. each Tuesday, Thursday, and Saturday for the duration of the calendar year

Representative Gatto – from 11:00 a.m., July 15 to evening plane time, July 20

Representative Kelly – from 8:00 a.m., July 16 to 5:00 p.m., July 23

Representative Neuman – from 1:00 p.m., July 11 to morning plane time, July 14

Representative Ramras – from 6:00 p.m., July 13 to morning plane time, July 15

Representative Hawker – from noon, July 15 to morning plane time, July 21

Representative Doll – from 10:18 a.m. to 1:45 p.m., July 11

Representative LeDoux – from morning plane time, July 12 to evening plane time, August 2

Representative Gardner – from evening plane time, July 15 to morning plane time, July 21

**The presence of Representative Gara was noted.

SPECIAL ORDER OF BUSINESS

Representative Samuels moved and asked unanimous consent that the notice and publication requirements be waived and the citations on the special order citation calendar be taken up as a Special Order of Business. There being no objection, it was so ordered.

Representative Samuels moved and asked unanimous consent that the House approve the special order citation calendar. There being no objection, the following citations were approved and sent to enrolling:

Honoring – Juneau-Douglas High School Baseball Team, 2008 State Champions

By Representatives Doll, Kerttula; Harris, Buch, Chenault, Cissna, Coghill, Crawford, Dahlstrom, Doogan, Edgmon, Fairclough, Gara, Gardner, Gatto, Gruenberg, Guttenberg, Hawker, Holmes, Johansen, Johnson, Joule, Kawasaki, Keller, Kelly, LeDoux, Lynn, Meyer, Nelson, Neuman, Olson, Ramras, Roses, Salmon, Samuels, Seaton, Stoltze, Thomas, Wilson; Senator Elton

Honoring – Juneau-Douglas High School Girls Softball Team, 2008 State Champions

By Representatives Doll, Kerttula, Harris, Buch, Chenault, Cissna, Coghill, Crawford, Dahlstrom, Doogan, Edgmon, Fairclough, Gara, Gardner, Gatto, Gruenberg, Guttenberg, Hawker, Holmes, Johansen, Johnson, Joule, Kawasaki, Keller, Kelly, LeDoux, Lynn, Meyer, Nelson, Neuman, Olson, Ramras, Roses, Salmon, Samuels, Seaton, Stoltze, Thomas, Wilson; Senator Elton

Honoring – Point Hope Volunteer Search & Rescue

By Representatives Joule, Harris, Buch, Chenault, Cissna, Coghill, Crawford, Dahlstrom, Doll, Doogan, Edgmon, Fairclough, Gara, Gardner, Gatto, Gruenberg, Guttenberg, Hawker, Holmes, Johansen, Johnson, Kawasaki, Keller, Kelly, Kerttula, LeDoux, Lynn, Meyer, Nelson, Neuman, Olson, Ramras, Roses, Salmon, Samuels, Seaton, Stoltze, Thomas, Wilson; Senator Olson

Honoring – Anchorage Neighborhood Health Center, Dr. Tom Hunt and Entire Medical and Dental Staff, Health Care Heroes

By Senator Ellis; Representatives Gara, Harris, Buch, Chenault, Cissna, Coghill, Crawford, Doll, Doogan, Edgmon, Fairclough, Gardner, Gatto, Gruenberg, Guttenberg, Hawker, Holmes, Johansen, Johnson, Joule, Kawasaki, Keller, Kelly, Kerttula, LeDoux, Meyer, Nelson, Neuman, Olson, Ramras, Roses, Salmon, Samuels, Seaton, Stoltze, Thomas, Wilson

Honoring – Anchorage Neighborhood Health Center, Joan Fisher and the Entire Staff, Health Care Heroes

By Senator Ellis; Representatives Gara, Harris, Buch, Chenault, Cissna, Coghill, Crawford, Doll, Doogan, Edgmon, Fairclough, Gardner, Gatto, Gruenberg, Guttenberg, Hawker, Holmes, Johansen, Johnson, Joule, Kawasaki, Keller, Kelly, Kerttula, LeDoux, Meyer, Nelson, Neuman, Olson, Ramras, Roses, Salmon, Samuels, Seaton, Stoltze, Thomas, Wilson

Honoring – Kodiak High Girls Softball Team, 2008 State Small Schools Softball Champions

By Senator Stevens; Representatives LeDoux, Harris, Buch, Chenault, Cissna, Coghill, Crawford, Dahlstrom, Doll, Doogan, Edgmon, Fairclough, Gara, Gardner, Gatto, Gruenberg, Guttenberg, Hawker,

Holmes, Johansen, Johnson, Joule, Kawasaki, Keller, Kelly, Kerttula, Lynn, Meyer, Nelson, Neuman, Olson, Ramras, Roses, Salmon, Samuels, Seaton, Stoltze, Thomas, Wilson

In Memoriam – Glen D. Franklin

By Representatives Kelly, Harris, Buch, Chenault, Cissna, Coghill, Crawford, Dahlstrom, Doll, Doogan, Edgmon, Fairclough, Foster, Gara, Gardner, Gatto, Gruenberg, Guttenberg, Hawker, Holmes, Johansen, Johnson, Joule, Kawasaki, Keller, Kerttula, LeDoux, Lynn, Meyer, Nelson, Neuman, Olson, Ramras, Roses, Salmon, Samuels, Seaton, Stoltze, Thomas, Wilson

In Memoriam – Gail Caroline Osborn Steen

By Senator Kookesh; Representatives Thomas, Harris, Buch, Chenault, Cissna, Coghill, Crawford, Dahlstrom, Doll, Doogan, Edgmon, Fairclough, Foster, Gara, Gardner, Gatto, Gruenberg, Guttenberg, Hawker, Holmes, Johansen, Johnson, Joule, Kawasaki, Keller, Kelly, Kerttula, LeDoux, Lynn, Meyer, Nelson, Neuman, Olson, Ramras, Roses, Salmon, Samuels, Seaton, Stoltze, Wilson

In Memoriam – Louis B. Schilling

By Senator Wagoner; Representatives Chenault, Harris, Buch, Cissna, Coghill, Crawford, Dahlstrom, Doll, Doogan, Edgmon, Fairclough, Foster, Gara, Gardner, Gatto, Gruenberg, Guttenberg, Hawker, Holmes, Johansen, Johnson, Joule, Kawasaki, Keller, Kelly, Kerttula, LeDoux, Lynn, Meyer, Nelson, Neuman, Olson, Ramras, Roses, Salmon, Samuels, Seaton, Stoltze, Thomas, Wilson

In Memoriam – Roger J. Menadelook, Jr.

By Senator Olson; Representatives Foster, Harris, Buch, Chenault, Cissna, Coghill, Crawford, Dahlstrom, Doll, Doogan, Edgmon, Fairclough, Gara, Gardner, Gatto, Gruenberg, Guttenberg, Hawker, Holmes, Johansen, Johnson, Joule, Kawasaki, Keller, Kelly, Kerttula, LeDoux, Lynn, Meyer, Nelson, Neuman, Olson, Ramras, Roses, Salmon, Samuels, Seaton, Stoltze, Thomas, Wilson

In Memoriam – Donald Anthony "Tony" Chatto

By Senator Stevens; Representatives LeDoux, Harris, Buch, Chenault, Cissna, Coghill, Crawford, Dahlstrom, Doll, Doogan, Edgmon, Fairclough, Foster, Gara, Gardner, Gatto, Gruenberg, Guttenberg,

Hawker, Holmes, Johansen, Johnson, Joule, Kawasaki, Keller, Kelly, Kerttula, Lynn, Meyer, Nelson, Neuman, Olson, Ramras, Roses, Salmon, Samuels, Seaton, Stoltze, Thomas, Wilson

ENROLLMENT

HB 75

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 10:50 a.m., July 3, 2008:

CS FOR HOUSE BILL NO. 75(STA)

"An Act relating to driver's licenses and to alcohol and drug awareness and safety testing."

HB 332

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 10:50 a.m., July 3, 2008:

CS FOR HOUSE BILL NO. 332(FIN)(title am)

"An Act defining an elementary school to include certain pre-elementary programs and relating to counting pre-elementary students in a school's average daily membership."

ANNOUNCEMENTS

House committee schedules are published under separate cover.

Majority Caucus Speaker's Chamber upon adjournment

ADJOURNMENT

Representative Samuels moved and asked unanimous consent that the House adjourn until 8:30 a.m., July 11, 2008, for a technical session. There being no objection, the House adjourned at 11:11 a.m.

Suzi Lowell
Chief Clerk