

**SENATE JOURNAL**  
**ALASKA STATE LEGISLATURE**  
**TWENTY-SIXTH LEGISLATURE**  
**FIRST SESSION**

**Juneau, Alaska**

**Thursday**

**January 22, 2009**

**Third Day**

Pursuant to adjournment the Senate was called to order by President Stevens at 6:45 p.m.

President Stevens requested the following Senator approach the rostrum to be administered the Oath of Office (Certificate of Election page 3):

District K      Bettye J. Davis

President Stevens administered the Oath of Office to Senator Davis.

The roll showed fourteen members present. Senators Huggins, Stedman, Wagoner were excused from a call of the Senate. Senators Elton, Kookesh, Paskvan were absent.

Senator Ellis moved and asked unanimous consent that Senator Kookesh be excused from a call of the Senate today. Without objection, Senator Kookesh was excused.

The prayer was offered by the Chaplain, Senator Olson. Senator Hoffman moved and asked unanimous consent that the prayer be spread. Without objection, it was so ordered.

Dear Lord Jesus,

As we are gathered here this evening, we want to thank you for the opportunity we've had, to witness this last week, the changing of the guard and the inauguration of our new President.

Lord, we thank you for the safe trip you've given Senator Davis. Lord, we also pray for Lesil McGuire tonight. This is her special day, her birthday.

Lord, since this is the commemoration of Roe v. Wade, we also want to remember the born and the unborn.

Watch over us as we prepare our hearts for the Governor's speech. Give us wisdom as we listen and the ability to discern.

In your precious name.

Amen.

Senator Davis led the Senate in the Pledge of Allegiance.

### **Certification**

Senator Ellis moved and asked unanimous consent that the journal for the second legislative day be approved as certified by the Secretary. Without objection, it was so ordered.

### **Messages from the House**

Message dated January 21 was read, stating the House has confirmed the following Representatives to serve on the Select Committee on Legislative Ethics:

Representative Coghill  
Representative Gardner  
Representative Gatto (alternate)  
Representative Gara (alternate)

Message dated January 21 was read, stating:

The House of Representatives respectfully invites the Senate to a Joint Session of the Twenty-sixth Alaska Legislature at 11:00 a.m. on Wednesday, February 11 for the purpose of hearing Chief Justice Dana Fabe's State of the Judiciary message to the Legislature.

Senator Ellis moved and asked unanimous consent that the Senate accept the House invitation to meet in Joint Session. Without objection, it was so ordered.

The Secretary was requested to notify the House.

### **Communications**

The following reports are on file in the Office of the Secretary of the Senate:

2009 Report to the Legislature for the Division of Mining, Land and Water:

Report on Identified R.S. 2477 Rights-of-Way  
in accordance with AS 19.30.400(b)

Notification of Annual Mining Report  
Alaska's Mineral Industry 2007  
(published jointly with Department of Commerce, Community  
and Economic Development)  
in accordance with AS 27.05.060  
available at: [www.dggs.dnr.state.ak.us/pubs](http://www.dggs.dnr.state.ak.us/pubs)

Land Disposal Income Fund Report  
in accordance with AS 38.04.022(b)

Notification of Annual Report on the Status of Land in the  
Land Disposal Bank  
in accordance with AS 38.04.020(d)

Notification of Annual Report on Water Removals and Exports  
in accordance with AS 46.15.020(b)(5)

Notification of Interim Classifications  
in accordance with AS 38.05.300

Summary of Cooperative Resource Management or  
Development Agreements  
in accordance with AS 38.05.027

from Dick Mylius, Director, Division of Mining, Land and Water  
Department of Natural Resources

Oil and Hazardous Substance Release Prevention and Response Fund  
Biennial Report, Fiscal Years 2007 - 2008  
July 1, 2006 through June 30, 2008  
from Larry Hartig, Commissioner  
Department of Environmental Conservation  
in accordance with AS 46.08.060

### **Introduction and Reference of Senate Bills**

#### **SB 73**

SENATE BILL NO. 73 BY SENATOR MENARD, entitled:

"An Act relating to the use of headlights when  
operating a motor vehicle."

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

#### **SB 74**

SENATE BILL NO. 74 BY THE SENATE RULES COMMITTEE  
BY REQUEST OF THE GOVERNOR, entitled:

"An Act making appropriations for the operating and  
loan program expenses of state government, for  
certain programs, and to capitalize funds; making  
supplemental appropriations; and making  
appropriations under art. IX, sec. 17(c), Constitution  
of the State of Alaska; and providing for an effective  
date."

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

Governor's transmittal letter dated January 21:

Dear President Stevens:

Today I am transmitting to you the FY2010 operating budget bill. As I indicated when I released the budget on December 15, 2008, this budget is consistent with the fiscal plan that has guided this administration and builds on our commitment to live within our means, save for the future, and control government spending.

When the budget was released on December 15, 2008, our revenue forecast indicated that we would have a FY2010 budget surplus of nearly \$390 million that would flow into the constitutional budget reserve fund at the end of the fiscal year based upon a per barrel oil price of \$74.41. We all know that oil prices currently are well below that price. We will continue to closely monitor oil price and production and will be providing updated revenue information for your consideration.

The good news is that Alaska has tools in place to address these challenges; fiscal discipline and prudent use of reserves to stabilize Alaska's economy, keep Alaskans employed, and industry moving. I look forward to working with the Legislature to finalize the operating budget for the upcoming fiscal year.

Sincerely,

/s/

Sarah Palin  
Governor

**SB 75**

SENATE BILL NO. 75 BY THE SENATE RULES COMMITTEE  
BY REQUEST OF THE GOVERNOR, entitled:

"An Act making and amending appropriations,  
including capital appropriations, supplemental  
appropriations, and 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 January 21:

Dear President Stevens:

Today I am transmitting to you the FY2010 capital budget bill. The capital budget represents a significant investment in Alaska's infrastructure including surface transportation, airport improvements, water and wastewater projects, schools and state facilities maintenance.

When the budget was released on December 15, 2008, our revenue forecast indicated that we would have a FY2010 budget surplus of nearly \$390 million that would flow into the constitutional budget reserve fund at the end of the fiscal year based upon a per barrel oil price of \$74.41. We all know that oil prices currently are well below that price. We will continue to closely monitor oil price and production and will be providing updated revenue information for your consideration.

The good news is that Alaska has tools in place to address these challenges; fiscal discipline and prudent use of reserves to stabilize Alaska's economy, keep Alaskans employed, and industry moving.

I believe that this capital budget is a responsible approach to addressing the needs of Alaskans. I look forward to working with the Legislature to secure passage of this bill.

Sincerely,

/s/

Sarah Palin

Governor

**SB 76**

SENATE BILL NO. 76 BY THE SENATE RULES COMMITTEE  
BY REQUEST OF THE GOVERNOR, entitled:

"An Act making appropriations for the operating and capital expenses of the state's integrated comprehensive mental health program; and providing for an effective date."

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

In accordance with AS 37.14.003(b) a report of the differences between the Governor's proposed budget and the recommendations of the Alaska Mental Health Trust Authority was transmitted.

Governor's transmittal letter dated January 21:

Dear President Stevens:

Today I am transmitting the Fiscal Year 2010 appropriations bill for the state's comprehensive mental health program. As required by statute, it includes both operating and capital appropriations and is accompanied by a report outlining the differences between the recommendations of the Alaska Mental Health Trust Authority and my budget.

The proposed mental health budget represents a cooperative effort between state agencies and the Alaska Mental Health Trust Authority. These productive working relationships have made, and will continue to make, a positive difference for Alaska's mental health beneficiaries.

I look forward to working with the Legislature to secure passage of this budget bill.

Sincerely,

/s/

Sarah Palin  
Governor

**SB 77**

SENATE BILL NO. 77 BY SENATOR WIELECHOWSKI, entitled:

"An Act relating to the Joint Armed Services Committee and its Homeland Security and Emergency Management Subcommittee; and providing for an effective date."

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

**Consideration of the Calendar****Citations**

Honoring – Juneau-Douglas High School Boys Swim/Dive Team 2008 State Champions

Senator(s) Elton, Stevens, Bunde, Davis, Dyson, Ellis, Hoffman, Huggins, Kookesh, McGuire, Menard, Meyer, Olson, Paskvan, Stedman, Therriault, Thomas, Wagoner, Wielechowski  
Representative(s) Kerttula, Muñoz

Honoring – Will Hickman

Representative(s) Thomas

Senator(s) Kookesh, Stevens, Bunde, Davis, Dyson, Ellis, Elton, Hoffman, Huggins, McGuire, Menard, Meyer, Olson, Paskvan, Stedman, Therriault, Thomas, Wagoner, Wielechowski

In Memoriam – Nellie "Mrs. Santa Claus" Miller

Senator(s) Therriault, Stevens, Bunde, Davis, Dyson, Ellis, Elton, Hoffman, Huggins, Kookesh, McGuire, Menard, Meyer, Olson, Paskvan, Stedman, Thomas, Wagoner, Wielechowski  
Representative(s) Coghill

Senator Ellis 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 Therriault moved and asked unanimous consent to be excused from a call of the Senate on January 26, to afternoon plane time. Without objection, Senator Therriault was excused.

Senator Hoffman moved and asked unanimous consent to be excused from a call of the Senate on January 30. Without objection, Senator Hoffman was excused.

Senator Meyer moved and asked unanimous consent to be excused from a call of the Senate from plane time, January 23 through plane time, January 28. Without objection, Senator Meyer was excused.



**Recess**

Senator Ellis moved and asked unanimous consent that the Senate stand in recess to the Joint Session. Without objection, the Senate recessed at 6:52 p.m.

**After Recess****Joint Session in the House**

Speaker Chenault called the House to order and in accordance with Uniform Rule 51 turned the gavel over to President Stevens, who called the Joint Session to order at 7:00 p.m.

The purpose of the Joint Session was to hear an address by the Honorable Sarah Palin, Governor.

Senator Ellis moved and asked unanimous consent that the roll call of the Senate be waived and all members be shown as present. Without objection, it was so ordered.

Representative Johansen moved and asked unanimous consent that the roll call of the House be waived and all members be shown as present. Without objection, it was so ordered.

President Stevens appointed Representative Stoltze and Senator Menard to escort Governor Palin to the Joint Session.

The Senate Sergeant at Arms, Doug Eckland, announced Governor Sarah Palin's entrance to the House Chamber.

The Honorable Sarah Palin was escorted to the rostrum and welcomed by President Stevens.

Governor Palin delivered her address. This address appears in Senate and House Joint Journal Supplement No. 1.

Governor Palin received a standing ovation and was escorted from the chamber by Senator Menard and Representative Stoltze.

Senator Ellis moved and asked unanimous consent that the Joint Session stand in adjournment. Without objection, President Stevens adjourned the Joint Session at 7:33 p.m.

#### **After Recess**

#### **In the Senate**

The Senate reconvened at 7:38 p.m.

The presence of Senator Paskvan was noted.

#### **Announcements**

Announcements are at the end of the journal.

#### **Adjournment**

Senator Ellis moved and asked unanimous consent that the Senate stand in adjournment until 11:00 a.m., January 26, 2009. Without objection, the Senate adjourned at 7:40 p.m.

Kirsten Waid  
Secretary of the Senate

**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**

<b>Jan 27</b>	<b>Tuesday</b>	<b>Beltz 211</b>	<b>3:30 PM</b>
	No Meeting Scheduled		

<b>Jan 29</b>	<b>Thursday</b>	<b>Beltz 211</b>	<b>3:30 PM</b>
	No Meeting Scheduled		

-----

**EDUCATION**

<b>Jan 27</b>	<b>Tuesday</b>	<b>Butrovich 205</b>	<b>9:00 AM</b>
+	Presentation by The Patrick Taylor Foundation		

<b>Jan 29</b>	<b>Thursday</b>	<b>Butrovich 205</b>	<b>9:00 AM</b>
+ SB 57	CHARTER SCHOOL FUNDING		

-----

**FINANCE**

<b>Jan 26</b>	<b>Monday</b>	<b>Senate Finance 532</b>	<b>9:00 AM</b>
	No Meeting Scheduled		

<b>Jan 27</b>	<b>Tuesday</b>	<b>Senate Finance 532</b>	<b>9:00 AM</b>
+	Senate Resolution: REGARDING ECONOMIC STIMULUS <Pending Introduction & Referral>		

**FINANCE (continued)**

<b>Jan 28</b> +	<b>Wednesday</b> Overview: Alaska Mental Health Trust Authority Budget	<b>Senate Finance 532</b>	<b>9:00 AM</b>
<b>Jan 29</b>	<b>Thursday</b> No Meeting Scheduled	<b>Senate Finance 532</b>	<b>9:00 AM</b>
<b>Jan 30</b> +	<b>Friday</b> Presentation: Commercial Passenger Vessel Excise Tax Update	<b>Senate Finance 532</b>	<b>9:00 AM</b>

**HEALTH & SOCIAL SERVICES**

<b>Jan 26</b> + SB 35	<b>Monday</b> EXTEND SUICIDE PREVENTION COUNCIL	<b>Butrovich 205</b>	<b>1:30 PM</b>
<b>Jan 28</b> +	<b>Wednesday</b> Joint w/(H) H&SS Matters Pertaining to Health Reform in Alaska: A seminar for Legislators and staff	<b>Butrovich 205</b>	<b>1:15 PM</b>
<b>Jan 30</b>	<b>Friday</b> No Meeting Scheduled	<b>Butrovich 205</b>	<b>1:30 PM</b>

**JUDICIARY**

<b>Jan 26</b> +	<b>Monday</b> Joint w/(H) Judiciary Overview: Department of Public Safety	<b>Capitol 120</b>	<b>1:30 PM</b>
<b>Jan 28</b>	<b>Wednesday</b> No Meeting Scheduled	<b>Beltz 211</b>	<b>1:30 PM</b>
<b>Jan 30</b>	<b>Friday</b> No Meeting Scheduled	<b>Beltz 211</b>	<b>1:30 PM</b>

**LABOR & COMMERCE**

<b>Jan 27</b>	<b>Tuesday</b>	<b>Beltz 211</b>	<b>1:30 PM</b>
	No Meeting Scheduled		
<b>Jan 29</b>	<b>Thursday</b>	<b>Beltz 211</b>	<b>1:30 PM</b>
	Overview of Dept of Commerce, Community, and Economic Development		
	Overview of Dept of Labor and Workforce Development		

-----

**RESOURCES**

<b>Jan 26</b>	<b>Monday</b>	<b>Butrovich 205</b>	<b>3:30 PM</b>
+	Update on Natural Gas Pipeline		
	Presentation: Tony Palmer, Vice President, Alaska Development, TransCanada		
	Presentation: Bud Fackrell, President of Denali The Alaska Gas Pipeline LLC		
<b>Jan 28</b>	<b>Wednesday</b>	<b>Butrovich 205</b>	<b>3:30 PM</b>
+	Overview: State Energy Plan, Steve Haagenson		
	Executive Director, AEA		
+	Overview: Fire Island Wind Farm Update		
	Barbara Donatelli, Ethan Schutt, Steve Gilbert, CIRI		
<b>Jan 30</b>	<b>Friday</b>	<b>Butrovich 205</b>	<b>3:30 PM</b>
	No Meeting Scheduled		

-----

**STATE AFFAIRS**

<b>Jan 27</b>	<b>Tuesday</b>	<b>Beltz 211</b>	<b>9:00 AM</b>
	Senate Bill:		
	EXTENDING THE JOINT ARMED SERVICES COMM		
	<Pending Introduction & Referral>		
	9:15 a.m. Dept of Public Safety		
	Overview/Presentation		
	10:00 a.m. Dept of Administration		
	Overview/Presentation		
<b>Jan 29</b>	<b>Thursday</b>	<b>Beltz 211</b>	<b>9:00 AM</b>
+	SB 36	EXECUTIVE BRANCH RECORDS SECURITY	

**TRANSPORTATION**

**Jan 27      Tuesday      Butrovich 205      1:00 PM**  
Joint w/(H) Transportation  
+      Dept of Transportation Overview by  
Commissioner Leo von Scheben  
Statewide Transportation Improvement Plan Overview

**Jan 29      Thursday      Butrovich 205      1:00 PM**  
Joint w/(H) Transportation  
+      Alaska Marine Highway Overview  
1:00-2:15 p.m.  
Alaska Class Ferry Project Presentation  
2:15-3:00 p.m.

-----

**SPECIAL COMMITTEES****SPECIAL COMMITTEE ON ENERGY**

**Jan 29      Thursday      Fahrenkamp 203      10:00 AM**  
+      Overview: Geothermal Energy in Alaska  
Presenters:  
Gwen Holdmann, Director of the Alaska  
Center for Energy and Power  
Chris Rose, Executive Director of Renewable  
Energy Alaska Project  
Bob Swenson, Director of the Alaska  
State Division of Geological & Geophysical Surveys

-----

**JOINT COMMITTEES****JOINT COOK INLET SALMON TASK FORCE**

**Jan 27      Tuesday      Barnes 124      12:00 PM**  
+      Initial Close Out Meeting

-----

**JOINT COMMITTEES (continued)****LEGISLATIVE COUNCIL**

<b>Jan 27</b>	<b>Tuesday</b>	<b>Senate Finance 532</b>	<b>4:00 PM</b>
	Election of Chair & Vice Chair		
	Sanctioning and Ratification of Charitable Events		
	Late Per Diem Request		
	Legislature FY 08 Audit		
	Flag and Map Pins Approval		
	Fosler Contract Amendment		
	Birch, Horton, Bittner & Cherot Contract Amendment		
	Anchorage Office Space Parking Amendment		
	2009 Legislative Drafting Manual		
	Westlaw Contract		
	Other Business		

-----

**OTHER MEETINGS****JOINT SESSION**

<b>Jan 22</b>	<b>Thursday</b>	<b>House Chamber</b>	<b>7:00 PM</b>
	Annual State of the State by the Honorable Sarah Palin, Governor of Alaska		
<b>Feb 19</b>	<b>Thursday</b>	<b>House Chamber</b>	<b>11:00 AM</b>
	Annual Address by the Honorable Lisa Murkowski, U.S. Senator		