

# HOUSE JOURNAL

## ALASKA STATE LEGISLATURE

### TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

Juneau, Alaska

Wednesday

February 29, 2012

#### Forty-fourth Day

Pursuant to adjournment the House was called to order by Speaker Chenault at 10:35 a.m.

Roll call showed 34 members present. Representatives Cissna, Gatto, and Hawker had been excused from a call of the House today. Representative Stoltze was absent and his presence was noted later.

Representative Austerman 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 – today

Representative P. Wilson – until 1:00 p.m., today

The invocation was offered by the Chaplain, the Reverend Nancy Campbell of Gospel Outreach Christian Center. Representative T. Wilson moved and asked unanimous consent that the invocation be spread on the journal. There being no objection, it was so ordered.

With deep regard for the religious beliefs for each person here, I invite you into a time of prayer and reflection.

May the Lord bless you and keep you. May the Lord make his face shine upon you and be gracious to you. May the Lord lift up his countenance upon you and give you peace. May the Lord answer you in the day of trouble. May the name of the God of Jacob defend you. May he send you help from the

sanctuary and strengthen you. May he bring healing to any here who are ailing. May his blessing and protection be upon your families. Amen.

The Pledge of Allegiance was led by Representative Keller.

### **CERTIFICATION OF THE JOURNAL**

Representative Austerman moved and asked unanimous consent that the journal for the 42<sup>nd</sup> and 43<sup>rd</sup> legislative days be approved as certified by the Chief Clerk. There being no objection, it was so ordered.

### **MESSAGES FROM THE SENATE**

#### **HB 144**

A message dated February 27, 2012, was read stating the Senate passed:

CS FOR HOUSE BILL NO. 144(RES)

"An Act requiring the Department of Natural Resources annually to deliver to the legislature and the governor a report on fishing stream access."

CSHB 144(RES) was referred to the Chief Clerk for enrollment.

\*\*The presence of Representative Stoltze was noted.

### **REPORTS OF STANDING COMMITTEES**

The Education Committee reviewed the qualifications of the following and recommends the appointments be forwarded to a joint session for consideration:

Jill Exe  
Louis Pondolfino

as members of the Professional Teaching Practices Commission.

The report was signed by Representative Dick, Chair; and Representatives P. Wilson, Pruitt, Seaton, Kawasaki, and Feige.

The Health & Social Services Committee reviewed the qualifications of the following and recommends the appointments be forwarded to a joint session for consideration:

Camille Carlson  
Dr. Elizabeth Kohnen  
Dr. David Miller  
Dr. David Powers

as members of the State Medical Board.

The report was signed by Representative Keller, Chair; and Representatives Kerttula, Dick, Seaton, Miller, and Herron.

## **HB 2**

The State Affairs Committee considered:

### HOUSE BILL NO. 2

"An Act relating to certain investments of the Alaska permanent fund, the state's retirement systems, the State of Alaska Supplemental Annuity Plan, and the deferred compensation program for state employees in certain companies that do business in Iran, and restricting those investments; and providing for an effective date."

and recommends it be replaced with:

CS FOR HOUSE BILL NO. 2(STA)  
(same title)

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

Do pass (2): Gruenberg, Lynn

No recommendation (3): Johansen, Keller, Seaton

The following fiscal note(s) apply to CSHB 2(STA):

1. Zero, Dept. of Revenue
2. Zero, Dept. of Revenue
3. Zero, Dept. of Revenue

HB 2 was referred to the Finance Committee.

**HB 9**

The Resources Committee considered:

HOUSE BILL NO. 9

"An Act requiring the Joint In-State Gasline Development Team to report to the legislature recommended changes to state law that are required to enable or facilitate the design, financing, and construction of an in-state natural gas pipeline so that the in-state natural gas pipeline is operational before 2016; and providing for an effective date."

and recommends it be replaced with:

CS FOR HOUSE BILL NO. 9(RES)

"An Act relating to the Alaska Gasline Development Corporation, a subsidiary created by the Alaska Housing Finance Corporation; establishing and relating to the in-state natural gas pipeline fund; making certain information provided to or by the Alaska Gasline Development Corporation exempt from inspection as a public record; relating to the Joint In-State Gasline Development Team; relating to the judicial review of a right-of-way lease or the development or construction of an oil or gas pipeline on state land; relating to the lease of a right-of-way by the Alaska Gasline Development Corporation for a gas pipeline transportation corridor; relating to the cost of natural resources, permits, and leases provided to the Alaska Gasline Development Corporation; relating to the review of natural gas transportation contracts by the Regulatory Commission of Alaska; relating to the regulation by the Regulatory Commission of Alaska of an in-state gas pipeline project developed by the Alaska Gasline Development Corporation; relating to the Alaska Natural Gas Development Authority; relating to the procurement of certain services by the

Alaska Natural Gas Development Authority; exempting property of a project developed by the Alaska Gasline Development Corporation from property taxes before the commencement of commercial operations; and providing for an effective date."

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

Do pass (4): Munoz, Foster, Herron, Seaton

Do not pass (2): Kawasaki, Gardner

No recommendation (1): Feige

Amend (2): Dick, P. Wilson

A House Resources Committee letter of intent for CSHB 9(RES), signed by Representatives Feige and Seaton, Co-chairs, follows:

"It is the Intent of the Legislature that a pipeline operating agreement negotiated by the Alaska Gasline Development Corporation and shippers under the authority of HB 9 will to the greatest extent possible not be held as confidential except to protect trade secrets or direct competitive advantage."

The following fiscal note(s) apply to CSHB 9(RES):

1. Fiscal, Dept. of Revenue

HB 9 was referred to the Finance Committee.

### **HB 221**

The Judiciary Committee considered:

#### **HOUSE BILL NO. 221**

"An Act relating to the appointment of counsel for persons accused of crimes; and amending Rule 39.1, Alaska Rules of Criminal Procedure."

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

Do pass (3): Lynn, Pruitt, Thompson

No recommendation (1): Gruenberg

The following fiscal note(s) apply:

1. Zero, Dept. of Administration
2. Zero, Dept. of Law
3. Fiscal, Alaska Court System

HB 221 was referred to the Finance Committee.

### **HB 224**

The Finance Committee considered:

#### HOUSE BILL NO. 224

"An Act relating to the prohibition of selling or giving tobacco or a product containing nicotine to a minor unless prescribed by a licensed physician."

and recommends it be replaced with:

#### CS FOR HOUSE BILL NO. 224(FIN)

"An Act prohibiting the sale or gift of a product containing nicotine to a minor under certain conditions."

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

Do pass (9): Fairclough, T. Wilson, Guttenberg, Costello, Edgmon, Doogan, Joule, Stoltze, Thomas

Amend (1): Gara

The following fiscal note(s) apply to CSHB 224(FIN):

3. Zero, Dept. of Health & Social Services
4. Zero, Dept. of Law

HB 224 was referred to the Rules Committee for placement on the calendar.

**HB 289**

The Resources Committee considered:

HOUSE BILL NO. 289

"An Act relating to a gas storage facility; relating to the tax credit for a gas storage facility; relating to the powers and duties of the Alaska Oil and Gas Conservation Commission; relating to the regulation of natural gas storage as a utility; relating to the powers and duties of the director of the division of lands and to lease fees for a gas storage facility on state land; and providing for an effective date."

and recommends it be replaced with:

CS FOR HOUSE BILL NO. 289(RES)

"An Act relating to an above-ground liquefied natural gas storage facility; relating to the tax credit for an investment in an above-ground liquefied natural gas storage facility; relating to the regulation of gas storage as a utility; relating to the powers and duties of the director of the division of lands and to lease fees for a liquefied natural gas storage facility on state land; and providing for an effective date."

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

Do pass (5): Munoz, Foster, P. Wilson, Dick, Seaton

No recommendation (3): Gardner, Herron, Feige

Amend (1): Kawasaki

The following fiscal note(s) apply to CSHB 289(RES):

1. Zero, Dept. of Administration
2. Zero, Dept. of Commerce, Community, & Economic Development
3. Indeterminate, Dept. of Natural Resources
4. Indeterminate, Dept. of Natural Resources
5. Indeterminate, Dept. of Revenue

HB 289 was referred to the Finance Committee.

**HB 302**

The Finance Committee considered:

HOUSE BILL NO. 302

"An Act repealing certain audit requirements for entities receiving contributions from permanent fund dividends."

and recommends it be replaced with:

CS FOR HOUSE BILL NO. 302(FIN)

"An Act requiring each campus or program of the University of Alaska to apply to be included on the contribution list for contributions from permanent fund dividends; requiring a university to pay an application fee for each program or campus separately listed on the contribution list for contributions from permanent fund dividends; and repealing certain audit requirements for entities receiving contributions from permanent fund dividends."

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

Do pass (7): Gara, T. Wilson, Guttenberg, Costello, Edgmon, Stoltze, Thomas

No recommendation (1): Doogan

Amend (1): Fairclough

The following fiscal note(s) apply to CSHB 302(FIN):

1. Zero, Dept. of Revenue



HB 302 was referred to the Rules Committee for placement on the calendar.

**HB 304**

The Finance Committee considered:

HOUSE BILL NO. 304

"An Act relating to the membership of the Alaska Fire Standards Council."

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

Do pass (11): T. Wilson, Gara, Fairclough, Guttenberg, Joule, Neuman, Costello, Edgmon, Doogan, Stoltze, Thomas

The following fiscal note(s) apply:

1. Fiscal, Dept. of Public Safety

HB 304 was referred to the Rules Committee for placement on the calendar.

**HB 310**

The Health & Social Services Committee considered:

HOUSE BILL NO. 310

"An Act temporarily reinstating the child and adult immunization program in the Department of Health and Social Services; and providing for an effective date."

and recommends it be replaced with:

CS FOR HOUSE BILL NO. 310(HSS)  
(same title)

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

Do pass (5): Kerttula, Dick, Seaton, Miller, Herron

No recommendation (1): Keller

The following fiscal note(s) apply to CSHB 310(HSS):

1. Fiscal, Dept. of Health & Social Services

HB 310 was referred to the Finance Committee.

**HB 316**

The State Affairs Committee considered:

HOUSE BILL NO. 316

"An Act relating to military facility zones in the state; relating to the development of housing in military facility zones; relating to the financing of projects in military facility zones; and providing for an effective date."

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

Do pass (5): Johansen, Petersen, P. Wilson, Keller, Lynn

No recommendation (1): Gruenberg

Amend (1): Seaton

The following fiscal note(s) apply:

1. Zero, Dept. of Commerce, Community, & Economic Development
2. Zero, Dept. of Military & Veterans' Affairs
3. Zero, Dept. of Revenue

HB 316 was referred to the Rules Committee for placement on the calendar.

**SB 30**

The Finance Committee considered:

## CS FOR SENATE BILL NO. 30(2d JUD)

"An Act providing for the release of certain property in the custody of a law enforcement agency to a crime victim under certain conditions and relating to requests for that release by the office of victims' rights."

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

Do pass (10): Fairclough, Gara, T. Wilson, Guttenberg, Joule, Costello, Edgmon, Doogan, Stoltze, Thomas

The following fiscal note(s) apply:

3. Zero, Dept. of Public Safety
4. Indeterminate, Dept. of Law
5. Zero, Legislative Agency

CSSB 30(2d JUD) was referred to the Rules Committee for placement on the calendar.

The Speaker stated that the House would stand at ease to allow members of the Senate to enter the Chamber; and so, the House stood at ease at 10:56 a.m.

**AFTER AT EASE**

The Speaker called the House back to order at 11:03 a.m.

**JOINT SESSION IN THE HOUSE**

In accordance with Uniform Rule 51, Speaker Chenault turned the gavel over to President Stevens who called the joint session to order at 11:04 a.m.

The purpose of the joint session was to hear the State of the Judiciary Address by the Honorable Walter Carpeneti, Chief Justice of the Alaska Supreme Court.

Senator Meyer 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 Austerman 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 Stevens appointed Representative Thompson and Senator Paskvan to escort the Honorable Walter Carpeneti to the joint session.

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

Chief Justice Carpeneti was escorted to the rostrum and welcomed by President Stevens.

The Chief Justice delivered his address, and it is published in Senate and House Joint Journal Supplement No. 13.

Chief Justice Carpeneti received a standing ovation and was escorted from the Chamber by Representative Thompson and Senator Paskvan.

Senator Meyer moved and asked unanimous consent that the joint session adjourn. There being no objection, President Stevens adjourned the joint session at 11:55 a.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 12:05 p.m.

#### **INTRODUCTION OF CITATIONS**

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

Honoring - Carol Comeau  
By Representative Millett; Senator Meyer

Honoring - A. A. Bennett, Alaska Aviation Museum Hall of Fame  
By Representatives Hawker, Feige

Honoring - Lowell Thomas Jr., Alaska Aviation Museum Hall of Fame  
By Representatives Hawker, Feige

Honoring - Wilfred and Eva Ryan, Alaska Aviation Museum Hall of Fame  
By Representatives Hawker, Feige

Honoring - Ben Grossmann, 2012 Academy Award Winner  
By Representatives Miller, Feige

Honoring - Gary Hall, 2012 Secondary Instructor of the Year  
By Representative Feige

Honoring - Linda Schandelmeier  
By Representative Miller; Senator Thomas

Honoring - Glacier View School Mixed 6 Volleyball Team, 2011 State Champions  
By Representative Feige

Honoring - East High First Robotics Team  
By Representative Gardner

Honoring - Willard Dunham  
By Senator Stevens; Representative Seaton

In Memoriam - Dennis Novak  
By Representative Seaton; Senator Stevens

In Memoriam - Dave Chris Crowell  
By Representatives Costello, Holmes

**INTRODUCTION, FIRST READING, AND REFERENCE  
OF HOUSE BILLS****HB 361**

HOUSE BILL NO. 361 by the House Rules Committee by request of the Governor, entitled:

"An Act relating to the Alaska Land Act, including certain lease, sale, and other disposal of state land and materials; relating to production royalties from miners; relating to rights to use state water; and providing for an effective date."

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

The following fiscal note(s) apply:

1. Zero, Dept. of Fish & Game
2. Zero, Dept. of Transportation & Public Facilities
3. Indeterminate, Dept. of Natural Resources

The Governor's transmittal letter dated February 27, 2012, follows:

"Dear Speaker Chenault:

Under the authority of Article III, Section 18 of the Alaska Constitution, I am transmitting a bill relating to the Alaska Land Act, including certain lease, sale, and other disposal of State land and materials; relating to production royalties from miners; and relating to rights to use State water. This bill will reduce the permitting burden and costs of applicants by creating efficiencies, streamlining, and eliminating redundancies in the permit application process.

This bill would accomplish the following:

- (1) Allow the Department of Natural Resources to use sealed bid procedures, rather than public auction, if appropriate, for certain leasing and disposal of State land;

- (2) Raise the monetary cap for negotiating leases of State land from \$5,000 to \$10,000;
- (3) Give the Department of Natural Resources more flexibility regarding when to issue negotiated leases of land, as opposed to using a competitive bid process;
- (4) Allow the Department of Natural Resources to renew mineral and land leases under certain conditions without conducting the same process for initiating a new lease;
- (5) Separate out the respective rules and procedures for timber sales and material sales, such as for rock and gravel;
- (6) Allow the Department of Natural Resources to convey materials as needed for flood control purposes;
- (7) Allow the Department of Natural Resources to exempt small mining operations from having to pay production royalties; and
- (8) Provide more flexibility to the Department of Natural Resources in how they notify the public of proposed decisions.

Collectively, these various changes represent an effort by the Department of Natural Resources to make its administration of these programs more efficient. If enacted, these changes will help the Department improve its ability to responsibly manage the State's land and resources in accordance with constitutional principles and statutory directives.

Sincerely,

/s/

Sean Parnell  
Governor"

**CONSIDERATION OF THE DAILY CALENDAR****THIRD READING OF HOUSE BILLS****HB 118**

The following, which was advanced to third reading from the February 27, 2012, calendar (page 1713), was read the third time:

CS FOR HOUSE BILL NO. 118(FIN)

"An Act relating to a tax credit for qualified research and development expenditures; and providing for an effective date."

Representative Austerman moved and asked unanimous consent that Representative Petersen be excused from a call of the House from noon to 2:30 p.m., today. There being no objection, it was so ordered.

Representative Gara moved and asked unanimous consent that CSHB 118(FIN) be returned to second reading for the specific purpose of considering Amendment No. 1. There being no objection, it was so ordered.

The Speaker stated that, without objection, CSHB 118(FIN) would be returned to second reading for all amendments.

Amendment No. 1 was offered by Representative Gara:

Page 2, line 10, following "AS 43.20.011(e)":  
Insert "or A 43.55,"

Page 2, line 11, following "title":  
Insert "Companies eligible for credits of deductions under AS 43.55 are not eligible for credits under this section."

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

Representative Costello objected.

\*\*The presence of Representative P. Wilson, who was excused (page 1725), was noted.



The Speaker stated that, without objection, the House would recess until 7:00 p.m.; and so, the House recessed at 12:56 p.m.

#### **AFTER RECESS**

The Speaker called the House back to order at 7:06 p.m.

Representative Olson was excused from a call of the House at 6:00 p.m. (page 1719).

The presence of Representative Petersen, who was excused (page 1740), was noted.

Representative Austerman moved and asked unanimous consent that Representative Hawker be excused from a call of the House for the remainder of the day (amended from page 1719). There being no objection, it was so ordered.

#### **THIRD READING OF HOUSE BILLS**

(continued)

##### **HB 118**

The following, which was returned to second reading, was before the House with Amendment No. 1 moved and pending (page 1740):

CS FOR HOUSE BILL NO. 118(FIN)

"An Act relating to a tax credit for qualified research and development expenditures; and providing for an effective date."

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

CSHB 118(FIN)

Second Reading

Amendment No. 1

**YEAS: 10 NAYS: 25 EXCUSED: 5 ABSENT: 0**

Yeas: Doogan, Gara, Gardner, Gruenberg, Guttenberg, Kawasaki, Kerttula, Miller, Petersen, Tuck

Nays: Austerman, Chenault, Costello, Dick, Edgmon, Fairclough, Feige, Foster, Herron, Holmes, Johansen, Johnson, Joule, Keller, Lynn, Millett, Munoz, Pruitt, Saddler, Seaton, Stoltze, Thomas, Thompson, P.Wilson, T.Wilson

Excused: Cissna, Gatto, Hawker, Neuman, Olson

And so, Amendment No. 1 was not adopted.

Amendment No. 2 was offered by Representative Gara:

Page 1, line 9:

Delete "the taxable year"

Insert "a taxable year ending before January 1, 2017,"

Page 2, following line 25:

Insert a new bill section to read:

"\* **Sec. 2.** AS 43.20.047 is repealed January 1, 2024."

Renumber the following bill section accordingly.

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

Representative Pruitt objected.

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

CSHB 118(FIN)

Second Reading

Amendment No. 2

**YEAS: 12 NAYS: 23 EXCUSED: 5 ABSENT: 0**

Yeas: Doogan, Gara, Gardner, Gruenberg, Guttenberg, Holmes, Joule, Kawasaki, Kerttula, Miller, Petersen, Tuck

Nays: Austerman, Chenault, Costello, Dick, Edgmon, Fairclough, Feige, Foster, Herron, Johansen, Johnson, Keller, Lynn, Millett, Munoz, Pruitt, Saddler, Seaton, Stoltze, Thomas, Thompson, P.Wilson, T.Wilson

Excused: Cissna, Gatto, Hawker, Neuman, Olson

And so, Amendment No. 2 was not adopted.

Amendment No. 3 was offered by Representative Gardner:

Page 2, following line 18:

Insert a new subsection to read:

"(f) The total amount of the credit authorized under this section for all taxpayers may not exceed \$50,000,000 in a calendar year. The department may adopt regulations that provide the standards and procedures to prorate the amount of credit available to each taxpayer when the total amount of tax credits claimed by all taxpayers under this section for a calendar year exceeds \$50,000,000."

Reletter the following subsection accordingly.

Representative Gardner moved and asked unanimous consent that Amendment No. 3 be adopted.

Representative Feige objected.

The question being: "Shall Amendment No. 3 be adopted?" The roll was taken with the following result:

CSHB 118(FIN)  
Second Reading  
Amendment No. 3

**YEAS: 10 NAYS: 25 EXCUSED: 5 ABSENT: 0**

Yeas: Doogan, Gara, Gardner, Gruenberg, Guttenberg, Holmes, Kawasaki, Kerttula, Miller, Tuck

Nays: Austerman, Chenault, Costello, Dick, Edgmon, Fairclough, Feige, Foster, Herron, Johansen, Johnson, Joule, Keller, Lynn, Millett, Munoz, Petersen, Pruitt, Saddler, Seaton, Stoltze, Thomas, Thompson, P.Wilson, T.Wilson

Excused: Cissna, Gatto, Hawker, Neuman, Olson

And so, Amendment No. 3 was not adopted.

Amendment No. 4 was offered by Representative Gardner:

Page 1, line 1, following "**expenditures;**" (title amendment):

Insert "**relating to information about research and development expenditures that must be provided in order to claim a qualified research and development tax credit for those expenditures;**"

Page 2, line 10, following "AS 43.20.011(e)":

Insert ", for which information was not submitted in a report under (f) of this section,"

Page 2, following line 18:

Insert a new subsection to read:

"(f) A taxpayer shall file with the department before April 1 of the following year a statement, under oath, in a form prescribed by the department, giving, for each research and development expenditure that is the basis for a credit claimed under AS 43.20.047, a description of the expenditure and a general description of the purpose of the expenditure. Notwithstanding AS 40.25.100(a) and AS 43.05.230(a), information submitted under this subsection shall be published by the department on the department's Internet website and shall be disclosed to the legislature in a report submitted within 10 days after the convening of the next regular legislative session following the date a statement is filed under this section."

Reletter the following subsection accordingly.

Representative Gardner moved and asked unanimous consent that Amendment No. 4 be adopted.

Representative Saddler objected.

The question being: "Shall Amendment No. 4 be adopted?" The roll was taken with the following result:

CSHB 118(FIN)  
Second Reading  
Amendment No. 4

**YEAS: 10 NAYS: 25 EXCUSED: 5 ABSENT: 0**

Yeas: Doogan, Gara, Gardner, Gruenberg, Guttenberg, Kawasaki, Kerttula, Miller, Petersen, Tuck

Nays: Austerman, Chenault, Costello, Dick, Edgmon, Fairclough, Feige, Foster, Herron, Holmes, Johansen, Johnson, Joule, Keller, Lynn, Millett, Munoz, Pruitt, Saddler, Seaton, Stoltze, Thomas, Thompson, P.Wilson, T.Wilson

Excused: Cissna, Gatto, Hawker, Neuman, Olson

And so, Amendment No. 4 was not adopted.

Amendment No. 5 was offered by Representative Gruenberg:

Page 1, line 10, following "chapter.":

Insert "If the taxpayer is a member of an affiliated group, then the total amount of credits under this section may not exceed \$10,000,000 for the affiliated group. In this subsection, "affiliated group" has the meaning given in AS 43.20.073."

Representative Gruenberg moved and asked unanimous consent that Amendment No. 5 be adopted.

Representative Johnson objected.

The question being: "Shall Amendment No. 5 be adopted?" The roll was taken with the following result:

CSHB 118(FIN)

Second Reading

Amendment No. 5

**YEAS: 13 NAYS: 22 EXCUSED: 5 ABSENT: 0**

Yeas: Doogan, Gara, Gardner, Gruenberg, Guttenberg, Holmes, Kawasaki, Kerttula, Miller, Munoz, Petersen, Seaton, Tuck

Nays: Austerman, Chenault, Costello, Dick, Edgmon, Fairclough, Feige, Foster, Herron, Johansen, Johnson, Joule, Keller, Lynn, Millett, Pruitt, Saddler, Stoltze, Thomas, Thompson, P.Wilson, T.Wilson

Excused: Cissna, Gatto, Hawker, Neuman, Olson

And so, Amendment No. 5 was not adopted.

Amendment No. 6 was offered by Representative Gruenberg:

Page 2, lines 12 - 18:

Delete all material and insert:

"(e) The department shall make an annual report to the legislature that states the number of taxpayers who claimed credits under this section and the total amount of credits granted to all taxpayers under this section in the immediately preceding year.

(f) Notwithstanding AS 40.25.100 and AS 43.05.230(a), at the time the report is made to the legislature under (e) of this section, the department shall submit a confidential report to the legislature that states, for each taxpayer, the amount of credit granted, a description of each qualified research and development project for which the credit was granted, and the number of employees conducting the qualified research and development for which the credit was granted. Although the report submitted under this subsection must include information for each taxpayer that has been granted a credit under this section, the report may not include the name of a taxpayer."

Reletter the following subsection accordingly.

Representative Gruenberg moved and asked unanimous consent that Amendment No. 6 be adopted.

Representative Costello objected.

The question being: "Shall Amendment No. 6 be adopted?" The roll was taken with the following result:

CSHB 118(FIN)  
Second Reading  
Amendment No. 6

**YEAS: 11 NAYS: 24 EXCUSED: 5 ABSENT: 0**

Yeas: Doogan, Edgmon, Gara, Gardner, Gruenberg, Guttenberg, Kawasaki, Kerttula, Miller, Petersen, Tuck

Nays: Austerman, Chenault, Costello, Dick, Fairclough, Feige, Foster, Herron, Holmes, Johansen, Johnson, Joule, Keller, Lynn, Millett, Munoz, Pruitt, Saddler, Seaton, Stoltze, Thomas, Thompson, P.Wilson, T.Wilson

Excused: Cissna, Gatto, Hawker, Neuman, Olson

And so, Amendment No. 6 was not adopted.

Amendment No. 7 was offered by Representative Tuck:

Page 2, following line 7:

Insert a new subsection to read:

"(d) At the time a return is filed under this chapter on which the credit under this section is claimed, the taxpayer shall submit a statement that includes a description of the research and development activities conducted that are attributable to the state and the qualified research and development expenditures for which credit is claimed. The statement submitted under this subsection must be verified by an independent certified public accountant licensed in the state."

Reletter the following subsections accordingly.

Representative Tuck moved and asked unanimous consent that Amendment No. 7 be adopted.

Representative Thompson objected.

The question being: "Shall Amendment No. 7 be adopted?" The roll was taken with the following result:

CSHB 118(FIN)

Second Reading

Amendment No. 7

**YEAS: 11 NAYS: 24 EXCUSED: 5 ABSENT: 0**

Yeas: Doogan, Gara, Gardner, Gruenberg, Guttenberg, Holmes, Kawasaki, Kerttula, Miller, Petersen, Tuck

Nays: Austerman, Chenault, Costello, Dick, Edgmon, Fairclough, Feige, Foster, Herron, Johansen, Johnson, Joule, Keller, Lynn, Millett, Munoz, Pruitt, Saddler, Seaton, Stoltze, Thomas, Thompson, P.Wilson, T.Wilson

Excused: Cissna, Gatto, Hawker, Neuman, Olson

Gardner changed from "Nay" to "Yea".

And so, Amendment No. 7 was not adopted.

CSHB 118(FIN) was automatically in third reading.

The question being: "Shall CSHB 118(FIN) pass the House?" The roll was taken with the following result:

CSHB 118(FIN)

Third Reading

Final Passage

**YEAS: 23 NAYS: 12 EXCUSED: 5 ABSENT: 0**

Yeas: Austerman, Chenault, Costello, Dick, Fairclough, Feige, Foster, Herron, Johansen, Johnson, Joule, Keller, Lynn, Millett, Munoz, Pruitt, Saddler, Seaton, Stoltze, Thomas, Thompson, P.Wilson, T.Wilson

Nays: Doogan, Edgmon, Gara, Gardner, Gruenberg, Guttenberg, Holmes, Kawasaki, Kerttula, Miller, Petersen, Tuck

Excused: Cissna, Gatto, Hawker, Neuman, Olson

And so, CSHB 118(FIN) passed the House.

Representative Austerman moved the effective date clause.

The question being: "Shall the effective date clause be adopted?" The roll was taken with the following result:

CSHB 118(FIN)

Third Reading

Effective Date

**YEAS: 35 NAYS: 0 EXCUSED: 5 ABSENT: 0**

Yeas: Austerman, Chenault, Costello, Dick, Doogan, Edgmon, Fairclough, Feige, Foster, Gara, Gardner, Gruenberg, Guttenberg, Herron, Holmes, Johansen, Johnson, Joule, Kawasaki, Keller, Kerttula, Lynn, Miller, Millett, Munoz, Petersen, Pruitt, Saddler, Seaton, Stoltze, Thomas, Thompson, Tuck, P.Wilson, T.Wilson



Excused: Cissna, Gatto, Hawker, Neuman, Olson

And so, the effective date clause was adopted.

Representative Lynn gave notice of reconsideration of the vote on CSHB 118(FIN).

### RECONSIDERATION

#### HB 118

Representative Lynn moved and asked unanimous consent that reconsideration of CSHB 118(FIN) be taken up on the same day.

Representative Lynn moved and asked unanimous consent to withdraw the motion. There being no objection, it was so ordered.

### CONSIDERATION OF THE DAILY CALENDAR

(continued)

### SECOND READING OF HOUSE RESOLUTIONS

#### HJR 34

The following was read the second time:

#### HOUSE JOINT RESOLUTION NO. 34

Urging the United States Congress to fund all the facilities and vessels necessary for the United States Coast Guard to fulfill its Arctic missions, including icebreakers and an Arctic Coast Guard base.

with the:

Journal Page

MLV RPT CS(MLV) 4DP	1613
FN1: ZERO(LEG)	1614
STA RPT CS(STA) 4DP 1NR 2AM	1650
FN1: ZERO(LEG)	1651

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

CS FOR HOUSE JOINT RESOLUTION NO. 34(STA)  
(same title)

There being no objection, it was so ordered.

Amendment No. 1 was offered by Representatives Herron and Gruenberg:

Page 4, line 11, following "the":  
Insert "strategically important"

Representative Herron moved and asked unanimous consent that Amendment No. 1 be adopted. There being no objection, it was so ordered.

Amendment No. 2 was offered by Representatives Johansen and Millett:

Page 1, line 15 through page 2, line 1:  
Delete all material.

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

Objection was heard.

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

CSHJR 34(STA) am  
Second Reading  
Amendment No. 2

**YEAS: 16 NAYS: 19 EXCUSED: 5 ABSENT: 0**

Yeas: Costello, Dick, Doogan, Fairclough, Feige, Gruenberg, Johansen, Johnson, Joule, Lynn, Millett, Munoz, Petersen, Pruitt, Saddler, P.Wilson

Nays: Austerman, Chenault, Edgmon, Foster, Gara, Gardner, Guttenberg, Herron, Holmes, Kawasaki, Keller, Kerttula, Miller, Seaton, Stoltze, Thomas, Thompson, Tuck, T.Wilson

Excused: Cissna, Gatto, Hawker, Neuman, Olson

And so, Amendment No. 2 was not adopted.

Amendment No. 3 was offered by Representatives Johansen and Millett:

Page 2, lines 14 - 15:

Delete "foreign shippers set their sights on Asian markets, international"

Page 2, line 15:

Delete "of oil and gas and other potentially hazardous cargo"

Representative Johansen moved and asked unanimous consent that Amendment No. 3 be adopted.

Representative Herron objected.

The question being: "Shall Amendment No. 3 be adopted?" The roll was taken with the following result:

CSHJR 34(STA) am

Second Reading

Amendment No. 3

**YEAS: 5 NAYS: 30 EXCUSED: 5 ABSENT: 0**

Yeas: Costello, Doogan, Johansen, Millett, Stoltze

Nays: Austerman, Chenault, Dick, Edgmon, Fairclough, Feige, Foster, Gara, Gardner, Gruenberg, Guttenberg, Herron, Holmes, Johnson, Joule, Kawasaki, Keller, Kerttula, Lynn, Miller, Munoz, Petersen, Pruitt, Saddler, Seaton, Thomas, Thompson, Tuck, P.Wilson, T.Wilson

Excused: Cissna, Gatto, Hawker, Neuman, Olson

And so, Amendment No. 3 was not adopted.

Amendment No. 4 was offered by Representatives Johansen and Millett:

Page 2, lines 27 - 29:

Delete all material.

Representative Johansen moved and asked unanimous consent that Amendment No. 4 be adopted.

Representative Herron objected.

The question being: "Shall Amendment No. 4 be adopted?" The roll was taken with the following result:

CSHJR 34(STA) am

Second Reading

Amendment No. 4

**YEAS: 3 NAYS: 32 EXCUSED: 5 ABSENT: 0**

Yeas: Johansen, Keller, Millett

Nays: Austerman, Chenault, Costello, Dick, Doogan, Edgmon, Fairclough, Feige, Foster, Gara, Gardner, Gruenberg, Guttenberg, Herron, Holmes, Johnson, Joule, Kawasaki, Kerttula, Lynn, Miller, Munoz, Petersen, Pruitt, Saddler, Seaton, Stoltze, Thomas, Thompson, Tuck, P.Wilson, T.Wilson

Excused: Cissna, Gatto, Hawker, Neuman, Olson

And so, Amendment No. 4 was not adopted.

Amendment No. 5 was offered by Representatives Johansen and Millett:

Page 4, lines 18 - 19:

Delete "shipping, oil and gas drilling, and commercial fishing"

Representative Johansen moved and asked unanimous consent that Amendment No. 5 be adopted.

Representative Herron objected.

The question being: "Shall Amendment No. 5 be adopted?" The roll was taken with the following result:

CSHJR 34(STA) am  
Second Reading  
Amendment No. 5

**YEAS: 6 NAYS: 29 EXCUSED: 5 ABSENT: 0**

Yeas: Doogan, Johansen, Keller, Millett, Petersen, Tuck

Nays: Austerman, Chenault, Costello, Dick, Edgmon, Fairclough, Feige, Foster, Gara, Gardner, Gruenberg, Guttenberg, Herron, Holmes, Johnson, Joule, Kawasaki, Kerttula, Lynn, Miller, Munoz, Pruitt, Saddler, Seaton, Stoltze, Thomas, Thompson, P.Wilson, T.Wilson

Excused: Cissna, Gatto, Hawker, Neuman, Olson

And so, Amendment No. 5 was not adopted.

Amendment No. 6 was offered by Representatives Johansen and Millett:

Page 4, lines 14 - 15:

Delete "more than 1,000 miles from possible Chukchi Sea drilling sites and nearly as"

Representative Johansen moved and asked unanimous consent that Amendment No. 6 be adopted.

Representative Herron objected.

The question being: "Shall Amendment No. 6 be adopted?" The roll was taken with the following result:

CSHJR 34(STA) am  
Second Reading  
Amendment No. 6

**YEAS: 10 NAYS: 25 EXCUSED: 5 ABSENT: 0**

Yeas: Costello, Fairclough, Feige, Johansen, Keller, Millett, Munoz, Stoltze, Tuck, P.Wilson

Nays: Austerman, Chenault, Dick, Doogan, Edgmon, Foster, Gara, Gardner, Gruenberg, Guttenberg, Herron, Holmes, Johnson, Joule, Kawasaki, Kerttula, Lynn, Miller, Petersen, Pruitt, Saddler, Seaton, Thomas, Thompson, T.Wilson

Excused: Cissna, Gatto, Hawker, Neuman, Olson

And so, Amendment No. 6 was not adopted.

Representative Austerman moved and asked unanimous consent that CSHJR 34(STA) am be considered engrossed, advanced to third reading, and placed on final passage. There being no objection, it was so ordered.

CSHJR 34(STA) am was read the third time.

The question being: "Shall CSHJR 34(STA) am pass the House?"  
The roll was taken with the following result:

CSHJR 34(STA) am  
Third Reading  
Final Passage

**YEAS: 35 NAYS: 0 EXCUSED: 5 ABSENT: 0**

Yeas: Austerman, Chenault, Costello, Dick, Doogan, Edgmon, Fairclough, Feige, Foster, Gara, Gardner, Gruenberg, Guttenberg, Herron, Holmes, Johansen, Johnson, Joule, Kawasaki, Keller, Kerttula, Lynn, Miller, Millett, Munoz, Petersen, Pruitt, Saddler, Seaton, Stoltze, Thomas, Thompson, Tuck, P.Wilson, T.Wilson

Excused: Cissna, Gatto, Hawker, Neuman, Olson

And so, CSHJR 34(STA) am passed the House and was referred to the Chief Clerk for engrossment.

### LEGISLATIVE CITATIONS

Representative Austerman 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 - Loretta M. Bullard

By Senator Olson; Representatives Foster, Chenault, Cissna, Costello, Dick, Doogan, Edgmon, Fairclough, Feige, Gara, Gardner, Gatto, Gruenberg, Guttenberg, Hawker, Herron, Holmes, Johansen, Johnson,

Joule, Kawasaki, Keller, Kerttula, Lynn, Miller, Millett, Munoz, Neuman, Olson, Petersen, Pruitt, Saddler, Seaton, Stoltze, Thomas, Thompson, Tuck, P. Wilson, T. Wilson

Honoring - Women in the Alaska Legislature

By Senator Davis; Representatives Chenault, Austerman, Cissna, Costello, Dick, Doogan, Edgmon, Fairclough, Feige, Foster, Gara, Gardner, Gatto, Gruenberg, Guttenberg, Hawker, Herron, Holmes, Johansen, Johnson, Joule, Kawasaki, Keller, Kerttula, Lynn, Miller, Millett, Munoz, Neuman, Olson, Petersen, Pruitt, Saddler, Seaton, Stoltze, Thomas, Thompson, Tuck, P. Wilson, T. Wilson

### UNFINISHED BUSINESS

Representative Austerman 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 Costello – from 11:00 a.m., March 2 to 10:30 a.m., March 5

Representative Herron – from 6:00 a.m., March 3 to 9:20 p.m., March 11

Representative Lynn – from 5:00 p.m., March 5 to 11:00 a.m., March 12

Representative Holmes – from 6:30 p.m., March 5 to 11:00 a.m., March 12

Representative Johansen – from 2:00 p.m., March 5 to 11:00 p.m., March 12

Representative Feige – from 6:00 a.m., March 6 to 10:00 p.m., March 11

Representative Saddler – from 5:00 p.m., March 6 to 10:30 a.m., March 12

Representative Seaton – from 5:00 p.m., March 6 to 11:00 p.m., March 11

Pursuant to AS 24.65.020, the Speaker appointed the following members to the Victims' Advocate Selection Committee:

Representative Fairclough  
Representative Olson  
Representative Holmes

Pursuant to AS 24.55.020, the Speaker appointed the following members to the Ombudsman Selection Committee:

Representative Hawker  
Representative T. Wilson  
Representative Gardner

**HCR 24**

Representative Saddler added his name as cosponsor to:

HOUSE CONCURRENT RESOLUTION NO. 24  
Relating to the establishment and operation of a state food resource development working group.

**HJR 34**

Representatives Guttenberg, Petersen, Gruenberg, and Gardner added their names as cosponsors to:

CS FOR HOUSE JOINT RESOLUTION NO. 34(STA) am  
Urging the United States Congress to fund all the facilities and vessels necessary for the United States Coast Guard to fulfill its Arctic missions, including icebreakers and an Arctic Coast Guard base.

**HB 9**

Representative Pruitt added his name as cosponsor to:

HOUSE BILL NO. 9  
"An Act requiring the Joint In-State Gasline Development Team to report to the legislature recommended changes to state law that are required to enable or facilitate the design, financing, and construction of an in-state natural gas pipeline so that the in-state natural gas pipeline is operational before 2016; and providing for an effective date."



**HB 55**

Representative Pruitt added his name as cosponsor to:

## HOUSE BILL NO. 55

"An Act adding definitions of 'gravity knife' and 'switchblade' to the criminal law."

**HB 224**

Representative Guttenberg added his name as cosponsor to:

## HOUSE BILL NO. 224

"An Act relating to the prohibition of selling or giving tobacco or a product containing nicotine to a minor unless prescribed by a licensed physician."

**HB 236**

Representatives Gara and Herron added their names as cosponsors to:

## SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 236

"An Act relating to new defined benefit tiers in the public employees' retirement system and the teachers' retirement system; providing certain employees an opportunity to choose between the defined benefit and defined contribution plans of the public employees' retirement system and the teachers' retirement system; and providing for an effective date."

**HB 264**

Representative Kerttula added her name as cosponsor to:

## HOUSE BILL NO. 264

"An Act allowing a deferral of municipal property taxes on the increase in the value of real property attributable to subdivision of that property; and providing for an effective date."

**HB 275**

Representative Kerttula added her name as cosponsor to:

## HOUSE BILL NO. 275

"An Act requiring that a policy of group health insurance offered by the state and certain local governments include coverage for

colorectal screening, allow retirees to choose between brand-name and generic drug products, and limit certain prescription drug benefit payments to an amount based on the cost of the generic drug product."

**HB 299**

Representative Keller added his name as cosponsor to:

HOUSE BILL NO. 299

"An Act allowing appropriations to the civil legal services fund from court filing fees."

**HB 302**

Representatives Guttenberg and Gara added their names as cosponsors to:

HOUSE BILL NO. 302

"An Act repealing certain audit requirements for entities receiving contributions from permanent fund dividends."

**HB 304**

Representatives T. Wilson, Stoltze, and Costello added their names as cosponsors to:

HOUSE BILL NO. 304

"An Act relating to the membership of the Alaska Fire Standards Council."

**HB 347**

Representative T. Wilson added her name as cosponsor to:

HOUSE BILL NO. 347

"An Act prohibiting the use of municipal funds to support or oppose an initiative proposal to circulate a petition for a ballot initiative, or to influence the outcome of an election concerning a ballot initiative, without approval by municipal voters at an election."

**HB 351**

Representative Kerttula added her name as cosponsor to:

**HOUSE BILL NO. 351**

"An Act establishing procedures relating to issuance, suspension, or revocation of certification of police officers by the police standards council; making certain court service officers subject to certification by the police standards council; making confidential certain information that personally identifies a police officer; relating to requesting or requiring police officers to submit to lie detector tests; repealing a provision exempting certain police officers from a prohibition against requiring certain employees to submit to lie detector tests; and providing for an effective date."

**HB 356**

Representative Saddler added his name as cosponsor to:

**HOUSE BILL NO. 356**

"An Act relating to land management by the Board of Game and Department of Natural Resources for trapping and sport and subsistence hunting."

**SB 30**

Representatives Gara, Guttenberg, Fairclough, Stoltze, and Costello added their names as cross sponsors to:

**CS FOR SENATE BILL NO. 30(2d JUD)**

"An Act providing for the release of certain property in the custody of a law enforcement agency to a crime victim under certain conditions and relating to requests for that release by the office of victims' rights."

**SB 74**

Representatives Stoltze, Kerttula, Miller, Edgmon, and Millett added their names as cross sponsors to:

**SENATE BILL NO. 74**

"An Act requiring insurance coverage for autism spectrum disorders, describing the method for establishing a covered treatment plan for those disorders, and defining the covered treatment for those disorders; and providing for an effective date."

**ENGROSSMENT****HJR 34**

CSHJR 34(STA) am was engrossed, signed by the Speaker and Chief Clerk, and transmitted to the Senate for consideration.

**ANNOUNCEMENTS**

House committee schedules are published under separate cover.

**ADJOURNMENT**

Representative Austerman moved and asked unanimous consent that the House adjourn until 10:30 a.m., March 2, 2012. There being no objection, the House adjourned at 10:43 p.m.

Suzi Lowell  
Chief Clerk