

**ALASKA STATE LEGISLATURE**  
**HOUSE LABOR AND COMMERCE STANDING COMMITTEE**

April 14, 2012

3:23 p.m.

**MEMBERS PRESENT**

Representative Kurt Olson, Chair  
Representative Craig Johnson, Vice Chair  
Representative Mike Chenault  
Representative Dan Saddler  
Representative Bob Miller

**MEMBERS ABSENT**

Representative Steve Thompson  
Representative Lindsey Holmes

**COMMITTEE CALENDAR**

COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 119(L&C)  
"An Act relating to athletic trainers."

- MOVED HCS CSSB 119(L&C) OUT OF COMMITTEE

COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 136(FIN) AM  
"An Act providing a tax credit for employing a veteran that may be taken against a liability for the tax on corporation income; and providing for an effective date."

- MOVED OUT OF COMMITTEE

CS FOR SS FOR SENATE BILL NO. 25(FIN)  
"An Act establishing the sustainable energy transmission and supply development program in the Alaska Industrial Development and Export Authority; relating to the interest rates of the Alaska Industrial Development and Export Authority; and relating to taxes paid on interests in property owned by the Alaska Industrial Development and Export Authority and to the local contribution for public education funding related to that property."

- MOVED HCS CSSSSB 25(L&C) OUT OF COMMITTEE

**PREVIOUS COMMITTEE ACTION**

BILL: SB 119

SHORT TITLE: ATHLETIC TRAINERS

SPONSOR(s): SENATOR(s) MEYER

04/01/11 (S) READ THE FIRST TIME - REFERRALS  
04/01/11 (S) HSS, L&C  
04/11/11 (S) HSS AT 1:30 PM BUTROVICH 205  
04/11/11 (S) Moved CSSB 119(HSS) Out of Committee  
04/11/11 (S) MINUTE(HSS)  
04/12/11 (S) HSS RPT CS 4DP NEW TITLE  
04/12/11 (S) DP: DAVIS, MEYER, EGAN, DYSON  
04/12/11 (S) FIN REFERRAL ADDED AFTER L&C  
04/14/11 (S) L&C AT 2:00 PM BELTZ 105 (TSBldg)  
04/14/11 (S) Moved CSSB 119(L&C) Out of Committee  
04/14/11 (S) MINUTE(L&C)  
04/15/11 (S) L&C RPT CS 4DP 1NR NEW TITLE  
04/15/11 (S) DP: EGAN, DAVIS, PASKVAN, MENARD  
04/15/11 (S) NR: GIESSEL  
02/01/12 (S) FIN AT 9:00 AM SENATE FINANCE 532  
02/01/12 (S) Heard & Held  
02/01/12 (S) MINUTE(FIN)  
03/30/12 (S) FIN RPT CS (L&C) 4DP 2NR  
03/30/12 (S) DP: HOFFMAN, THOMAS, EGAN, ELLIS  
03/30/12 (S) NR: STEDMAN, OLSON  
03/30/12 (S) FIN AT 9:00 AM SENATE FINANCE 532  
03/30/12 (S) Moved CSSB 119(L&C) Out of Committee  
03/30/12 (S) MINUTE(FIN)  
04/02/12 (S) TRANSMITTED TO (H)  
04/02/12 (S) VERSION: CSSB 119(L&C)  
04/03/12 (H) READ THE FIRST TIME - REFERRALS  
04/03/12 (H) L&C, FIN  
04/10/12 (H) L&C AT 4:00 PM BARNES 124  
04/10/12 (H) -- MEETING CANCELED --  
04/11/12 (H) FIN AT 1:30 PM HOUSE FINANCE 519  
04/11/12 (H) <Pending Referral>  
04/11/12 (H) L&C AT 3:15 PM BARNES 124  
04/11/12 (H) Heard & Held  
04/11/12 (H) MINUTE(L&C)  
04/12/12 (H) FIN AT 9:00 AM HOUSE FINANCE 519  
04/12/12 (H) <Pending Referral>  
04/12/12 (H) L&C AT 3:15 PM BARNES 124  
04/12/12 (H) Heard & Held  
04/12/12 (H) MINUTE(L&C)  
04/13/12 (H) FIN AT 9:00 AM HOUSE FINANCE 519  
04/13/12 (H) <Pending Referral>  
04/14/12 (H) L&C AT 3:15 PM BARNES 124

BILL: SB 136

SHORT TITLE: INCOME TAX CREDIT FOR EMPLOYING A VETERAN  
SPONSOR(s): SENATOR(s) WIELECHOWSKI

01/17/12 (S) PREFILE RELEASED 1/6/12  
01/17/12 (S) READ THE FIRST TIME - REFERRALS  
01/17/12 (S) STA, FIN  
01/24/12 (S) STA AT 9:00 AM BUTROVICH 205  
01/24/12 (S) Scheduled But Not Heard  
01/26/12 (S) STA AT 9:00 AM BUTROVICH 205  
01/26/12 (S) Heard & Held  
01/26/12 (S) MINUTE(STA)  
01/31/12 (S) STA AT 9:00 AM BUTROVICH 205  
01/31/12 (S) Moved CSSB 136(STA) Out of Committee  
01/31/12 (S) MINUTE(STA)  
02/01/12 (S) STA RPT CS 5DP NEW TITLE  
02/01/12 (S) DP: WIELECHOWSKI, KOOKESH, PASKVAN,  
MEYER, GIESSEL  
02/06/12 (S) FIN AT 9:00 AM SENATE FINANCE 532  
02/06/12 (S) Heard & Held  
02/06/12 (S) MINUTE(FIN)  
02/24/12 (S) FIN RPT CS 6DP NEW TITLE  
02/24/12 (S) DP: STEDMAN, THOMAS, EGAN, MCGUIRE,  
OLSON, ELLIS  
02/24/12 (S) FIN AT 9:00 AM SENATE FINANCE 532  
02/24/12 (S) Moved CSSB 136(FIN) Out of Committee  
02/24/12 (S) MINUTE(FIN)  
03/05/12 (S) TRANSMITTED TO (H)  
03/05/12 (S) VERSION: CSSB 136(FIN) AM  
03/05/12 (H) READ THE FIRST TIME - REFERRALS  
03/05/12 (H) L&C, FIN  
04/13/12 (H) L&C AT 3:15 PM BARNES 124  
04/13/12 (H) Heard & Held  
04/13/12 (H) MINUTE(L&C)  
04/14/12 (H) L&C AT 3:15 PM BARNES 124

BILL: SB 25

SHORT TITLE: AIDEA: SUSTAINABLE ENERGY/ INTEREST RATE  
SPONSOR(s): SENATOR(s) MCGUIRE

01/19/11 (S) PREFILE RELEASED 1/7/11  
01/19/11 (S) READ THE FIRST TIME - REFERRALS  
01/19/11 (S) L&C, FIN  
02/08/12 (S) SPONSOR SUBSTITUTE INTRODUCED-REFERRALS  
02/08/12 (S) L&C, FIN  
02/16/12 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)  
02/16/12 (S) Heard & Held  
02/16/12 (S) MINUTE(L&C)

02/21/12 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)  
 02/21/12 (S) -- MEETING CANCELED --  
 02/23/12 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)  
 02/23/12 (S) Moved CSSB 25(L&C) Out of Committee  
 02/23/12 (S) MINUTE(L&C)  
 02/24/12 (S) L&C RPT CS 4DP 1NR NEW TITLE  
 02/24/12 (S) DP: EGAN, DAVIS, PASKVAN, MENARD  
 02/24/12 (S) NR: GIESSEL  
 03/29/12 (S) FIN AT 1:00 PM SENATE FINANCE 532  
 03/29/12 (S) Heard & Held  
 03/29/12 (S) MINUTE(FIN)  
 04/11/12 (S) FIN RPT CS 6DP 1NR NEW TITLE  
 04/11/12 (S) DP: HOFFMAN, STEDMAN, THOMAS, EGAN,  
 MCGUIRE, ELLIS  
 04/11/12 (S) NR: OLSON  
 04/11/12 (S) TRANSMITTED TO (H)  
 04/11/12 (S) VERSION: CSSSSB 25(FIN)  
 04/11/12 (S) FIN AT 9:00 AM SENATE FINANCE 532  
 04/11/12 (S) Scheduled But Not Heard  
 04/11/12 (S) FIN AT 1:00 PM SENATE FINANCE 532  
 04/11/12 (S) Moved CSSSSB 25(FIN) Out of Committee  
 04/11/12 (S) MINUTE(FIN)  
 04/12/12 (H) READ THE FIRST TIME - REFERRALS  
 04/12/12 (H) L&C, FIN  
 04/13/12 (H) FIN AT 9:00 AM HOUSE FINANCE 519  
 04/13/12 (H) <Pending Referral>  
 04/13/12 (H) L&C AT 3:15 PM BARNES 124  
 04/13/12 (H) Heard & Held  
 04/13/12 (H) MINUTE(L&C)  
 04/14/12 (H) L&C AT 3:15 PM BARNES 124

**WITNESS REGISTER**

CHRISTINE MARASIGAN, Staff  
 Senator Kevin Meyer  
 Alaska State Legislature  
 Juneau, Alaska

**POSITION STATEMENT:** Testified and answered questions during the discussion of SB 119.

MIKE COUMBE, Staff  
 Representative Lindsey Holmes  
 Alaska State Legislature  
 Juneau, Alaska

**POSITION STATEMENT:** Testified on behalf of Representative Lindsey Holmes during the discussion of SB 119.

GARY MATTHEWS, Executive Director  
Alaska School Activities Association (ASAA)  
Anchorage, Alaska

**POSITION STATEMENT:** Testified during the discussion of SB 119.

KONRAD JACKSON, Staff  
Representative Kurt Olson  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** On behalf of the House Labor & Commerce Committee, Representative Kurt Olson, Chair, explained the changes to SB 119.

KENDRA KLOSTER, Staff  
Senator Bill Wielechowski  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Testified on behalf of the sponsor, Senator Bill Wielechowski, during the discussion of SB 136.

TOM WRIGHT, Staff  
Representative Mike Chenault  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Explained the changes in the proposed committee substitute (CS) for SB 25, on behalf of Representative Mike Chenault.

MICHAEL PAWLOWSKI, Staff  
Senator Lesil McGuire  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Testified on changes to SB 25 on behalf of the sponsor, Senator Lesil McGuire.

#### **ACTION NARRATIVE**

[3:23:10 PM](#)

**CHAIR KURT OLSON** called the House Labor and Commerce Standing Committee meeting to order at 3:23 p.m. Representatives Johnson, Saddler, Miller, Chenault, and Olson were present at the call to order.

CHAIR OLSON noted that SB 217, related to pharmacy audits would not be taken up since the bill was scheduled pending referral and the bill has not yet been referred to the committee.

SB 119-ATHLETIC TRAINERS

[3:23:47 PM](#)

CHAIR OLSON announced that the first order of business would be CS FOR SENATE BILL NO. 119(L&C), "An Act relating to athletic trainers."

CHAIR OLSON removed his objection.

[3:24:22 PM](#)

CHRISTINE MARASIGAN, Staff, Senator Kevin Meyer, Alaska State Legislature, on behalf of the sponsor, stated that SB 119 has three components, which would provide licensure for athletic trainers, allow for student participation and interscholastic activities, and address one component of a bill that previously passed relating to traumatic brain injuries.

[3:24:57 PM](#)

REPRESENTATIVE JOHNSON moved to adopt Amendment 1 labeled 27-LS0732\X.3, Kirsch, 4/13/12, which read:

Page 3, line 28, through page 4, line 12:

Delete all material and insert:

**Sec. 14.30.365. Interscholastic activities; eligibility.** (a) A full-time student who is eligible under (b) of this section who is enrolled in grades nine through 12 in an alternative education program that is located entirely in the state and that does not offer interscholastic activities is eligible to participate in any interscholastic activities program available in a public school

(1) that, based on the residence of the parent or legal guardian, the student would be eligible to attend were the student not enrolled in an alternative education program; or

(2) at which the student requests to participate, if

(A) the student shows good cause; and

(B) the governing body of the school approves.

(b) A student is eligible to participate in interscholastic activities under this section if the student

(1) is otherwise eligible to participate in interscholastic activities under requirements established by the school, the school district, and the statewide interscholastic activities governing body;

(2) provides documentation, including academic transcripts, proof of full-time enrollment, and applicable disciplinary records, and, if required for participation in an activity by the school, requested medical records, to the school providing the interscholastic activities program; and

(3) claims the same school for interscholastic activities eligibility purposes during a school year."

Reletter the following subsection accordingly.

[3:25:34 PM](#)

CHAIR OLSON objected for purpose of discussion.

[3:25:39 PM](#)

MIKE COUMBE, Staff, Representative Lindsey Holmes, Alaska State Legislature, stated that Amendment 1, would eliminate several choices from interscholastic activities eligibility. Amendment 1 would allow a student who is attending an alternative school to take part in interscholastic activities based on the residence of the parent or legal guardian. He referred to page 1, lines 11-13 of Amendment 1, and added a student enrolled in an alternative education program would also be eligible to participate in interscholastic activities in a public school if the student requests to participate and: (A) the student shows good cause; and (B) the governing body of the school approves. He related his understanding that the governing body of the school would be in most cases the school district. There was some question about whether this language should be adopted or if it should indicate the Alaska Student Activities Association (ASAA) instead. He related that basically this amendment is the version before the committee, but the committee could decide which language is more appropriate.

[3:28:26 PM](#)

GARY MATTHEWS, Executive Director, Alaska School Activities Association (ASAA), stated that the ASAA supports Amendment 1, as currently written, since school districts have better

information on a student's residence location to determine where the student should participate rather than a statewide organization that does not have the geographic information of school districts throughout the state. He reiterated his support for Amendment 1.

[3:29:53 PM](#)

REPRESENTATIVE JOHNSON asked whether the ASAA, in terms of the governing body, would govern certain things such as eligibility.

MR. MATTHEWS answered that the ASAA does not determine the location of where the students are eligible since the school district makes those determinations; however, once eligibility is decided the ASAA rules come into play.

[3:30:33 PM](#)

REPRESENTATIVE JOHNSON asked for clarification on who made the decision on the young man, north of Anchorage, who was declared ineligible to play. He asked whether that was based on an ASAA ruling or a school district ruling.

MR. MATTHEWS answered that two rules were applied in that case. He explained that ASAA's rule prohibited the student from participating since he was enrolled in another school district's program - the IDEA program - which was a member of the ASAA. Additionally, the Anchorage School District (ASD) had an additional rule that prohibited the student from participating since he was not enrolled in any of the district's programs, including their brick and mortar schools or their alternative programs.

[3:31:33 PM](#)

REPRESENTATIVE JOHNSON asked if this bill were retroactive, whether the student would be allowed to play.

MR. MATTHEWS answered yes. He explained that the bill provision that pertains to statewide correspondence programs would come into effect.

[3:31:53 PM](#)

REPRESENTATIVE SADDLER referred to [page 1, line 12] paragraph (2) (A), which read, "the student shows good cause...." He

asked whether this presumes the student would show good cause to the school district or the ASAA.

MR. MATTHEWS assumed that this language refers to the school district. He explained that the ASAA is not involved in which school the student attends. He suggested that the Anchorage School District (ASD) has boundaries, but will accept students out of boundary if they are granted a zone exception. He further explained that students can apply to a lottery to apply to attend another school. He reiterated that students would petition school districts for good cause. He stated that the ASAA would not have any way to determine the legitimacy of a request for which school the student is allowed to attend. Once that has been determined, the ASAA would assess the eligibility requirements, which would then come under its purview.

[3:33:31 PM](#)

REPRESENTATIVE SADDLER agreed it should be up to the school district to determine. He characterized Amendment 1 as providing a double test, which is to base the request on good cause and approval by the governing body of the school. He said he wants to avoid team shopping and also tries to avoid situations in which students take advantage of the rules.

[3:33:52 PM](#)

CHAIR OLSON removed his objection. There being no further objection, Amendment 1 was adopted.

[3:34:22 PM](#)

REPRESENTATIVE JOHNSON made a motion to adopt Amendment 2, labeled 27-LS0732\X.4, Kirsch, 4/13/12, which read:

Page 1, line 2, following "**activities**";:

Insert "**relating to the adoption of regulations by the State Medical Board**;"

Page 2, following line 27:

Insert a new section to read:

"**Sec. 08.07.040. Scope of practice.** (a) A licensed athletic trainer may provide athletic training using treatment modalities adopted in regulations by the State Medical Board to an athlete under the direction of a physician licensed under AS 08.64.

(b) An athletic trainer shall immediately refer an athlete to an appropriate health care professional licensed in this state if the athletic trainer has reasonable cause to believe that athletic training is contraindicated or the symptoms or conditions present require services outside the scope of an athletic trainer's normal practice."

Page 2, line 28, through page 3, line 2:

Delete all material and insert:

**"Sec. 08.07.050. Definitions.** In this chapter,

(1) "athlete" means an individual who participates in strenuous physical exercise, physical conditioning, or a sport;

(2) "athletic trainer" means a person who practices athletic training;

(3) "athletic training" means the practice of physical conditioning and reconditioning of athletes, and the prevention and treatment of injuries incurred by athletes, under a plan of care designed and overseen by a physician licensed under AS 08.64."

Page 3, following line 2:

Insert new bill sections to read:

**"\* Sec. 3.** AS 08.64.100 is amended to read:

**Sec. 08.64.100. Power of board to adopt regulations.** The board may adopt regulations necessary to carry into effect the provisions of this chapter **and AS 08.07.**

**\* Sec. 4.** AS 08.64.101 is amended to read:

**Sec. 08.64.101. Duties.** The board shall

(1) examine and issue licenses to applicants;

(2) develop written guidelines to ensure that licensing requirements are not unreasonably burdensome and the issuance of licenses is not unreasonably withheld or delayed;

(3) after a hearing, impose disciplinary sanctions on persons who violate this chapter or the regulations or orders of the board;

(4) adopt regulations ensuring that renewal of licenses is contingent upon proof of continued competency on the part of the licensee **and describing appropriate treatment modalities for athletic training;** and

(5) under regulations adopted by the board, contract with private professional organizations to

establish an impaired medical professionals program to identify, confront, evaluate, and treat persons licensed under this chapter who abuse alcohol, other drugs, or other substances or are mentally ill or cognitively impaired."

Renumber the following bill sections accordingly.

Page 5, line 5:

Delete "Section 4"

Insert "Section 6"

Page 5, line 6:

Delete "Section 5"

Insert "Section 7"

CHAIR OLSON objected for purpose of discussion.

[3:34:40 PM](#)

KONRAD JACKSON, Staff, Representative Kurt Olson, Alaska State Legislature, on behalf of the House Labor & Commerce Committee, Representative Olson, Chair, stated that Amendment 2 would more clearly establish the scope of practice of a licensed athletic trainer, including their duties. He related that the State Medical Board will develop regulations for athletic trainers. He referred to page 1, line 2 of Amendment 2, which inserts "relating to the adoption of regulations by the State Medical Board;" in the title of the bill. This would add to the duties of the board to define regulations for the athletic trainings. Additionally, Amendment 2 would add the services athletic trainers will provide in the scope of their practice. Further, Amendment 2 would also define athlete, and athletic trainer. He reported that an "athletic trainer" means a person who practices athletic training. He referred to page 2, line 5, to proposed Section 3, which would add to the duties and powers of the State Medical Board to adopt regulations to carry into effect the provisions of the new chapter - AS 08.07. He referred to proposed Section 4, which identifies the duties of the board, to include adopting regulations that will describe appropriate treatment modalities for athletic training. He explained that Amendment 2 would address issues that arose over the definition of athletic trainer and the scope of practice of athletic trainers.

[3:37:23 PM](#)

REPRESENTATIVE SADDLER referred to page 1, lines 20-23 of Amendment 2, to the definition of athletic training. He asked whether the athletic training needs to be overseen by a physician.

MR. JACKSON answered that it is intended that athletic trainers and the practice of athletic training be done under the supervision and direction of physician to assure that injured athletes are cared for at a medical standard acceptable to State Medical Board.

[3:38:27 PM](#)

REPRESENTATIVE SADDLER asked if that oversight would also include the standard types of treatment for conditions such as a sprained ankle. He related a scenario in which at the beginning of the season that the team has no practice yet. He asked whether a plan of care needs to be established should there be injuries or is it assumed there is a standard protocol for a physician's care.

MR. JACKSON answered that would probably be defined in regulation. He offered his belief that the intention is to have all the activities that an athletic trainer provides supervised under the direction of a physician. He pointed out that doctors will ensure the athletic trainers have the skills to ice an ankle and wrap a knee.

REPRESENTATIVE JOHNSON offered his belief that most programs, in particular, for scholastic sports require participants to undergo physicals prior to participating in sports in order to provide a baseline assessment and to authorize the individuals to play.

[3:39:59 PM](#)

REPRESENTATIVE SADDLER related his understanding the individuals would be under the doctor's care at that point.

REPRESENTATIVE JOHNSON agreed.

[3:40:06 PM](#)

CHAIR OLSON removed his objection. There being no further objection, Amendment 2 was adopted.

[3:40:41 PM](#)

REPRESENTATIVE JOHNSON said he thinks this is a good start even though the definition of athletic trainer may be the most lax in the nation. He suggested that other states have more extensive programs. He reiterated that it was a good start and the legislature can review the provisions if problems develop. He pointed out that there is the capability to deal with very serious injuries. He was unsure if the bill goes far enough, but he again suggested SB 119 is a good start.

[3:41:22 PM](#)

REPRESENTATIVE JOHNSON moved to report the proposed committee substitute (CS) for SB 119, Version 27-LS0732\X, Kirsch, 4/10/12, as amended, out of committee with individual recommendations and the accompanying fiscal notes. There being no further objection, the HCSCSSB 119(L&C) was reported from the House Labor and Commerce Standing Committee.

The committee took a brief at-ease.

[3:41:43 PM](#)

**SB 136-INCOME TAX CREDIT FOR EMPLOYING A VETERAN**

CHAIR OLSON announced that the next order of business would be CS FOR SENATE BILL NO. 136(FIN) am, "An Act providing a tax credit for employing a veteran that may be taken against a liability for the tax on corporation income; and providing for an effective date."

[3:42:27 PM](#)

KENDRA KLOSTER, Staff, Senator Bill Wielechowski, Alaska State Legislature, introduced herself.

[3:43:07 PM](#)

REPRESENTATIVE JOHNSON moved to report the CSSB 136(FIN) am out of committee with individual recommendations and the accompanying indeterminate fiscal notes. There being no further objection, CSSB 136(FIN)am was reported from the House Labor and Commerce Standing Committee.

**SB 25-AIDEA: SUSTAINABLE ENERGY/ INTEREST RATE**

3:44:06 PM

CHAIR OLSON announced that the next order of business would be CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 25(FIN), "An Act establishing the sustainable energy transmission and supply development program in the Alaska Industrial Development and Export Authority; relating to the interest rates of the Alaska Industrial Development and Export Authority; and relating to taxes paid on interests in property owned by the Alaska Industrial Development and Export Authority and to the local contribution for public education funding related to that property."

3:44:15 PM

REPRESENTATIVE JOHNSON made a motion to adopt the proposed committee substitute (CS) for SB 25, labeled 27-LS0290\L, Kirsch, 4/14/12, as the working document.

CHAIR OLSON objection for purpose of discussion [Version L was before the committee.]

3:45:18 PM

TOM WRIGHT, Staff, Representative Mike Chenault, Alaska State Legislature, on behalf of Representative Mike Chenault, explained the changes in Version L, which would remove the property tax exemptions of five properties owned by Alaska Industrial Development and Export Authority (AIDEA), including the FedEx building in Anchorage, the Ketchikan shipyard, part of Red Dog. He explained Representative Chenault thought it was best left to municipalities to decide. Additionally, the intent language indicates that the legislature intends to appropriate during fiscal years 2012 and 2014 a total of \$250,000,000 - \$125,000,000 this year and another \$125,000,000 in the next legislative session. He offered it is up to the legislature to authorize any appropriations each year so the intent language is not necessary. He said the fiscal note is for \$125,000,000 this year and the legislature can decide to appropriate any additional funds if it so desires next session. He explained the third change exempts a natural gas pipeline transporting gas from the North Slope to market. He suggested adding Cook Inlet to market or any other field. He clarified that way AIDEA would not be financing or bonding any major pipeline, but that doesn't mean AIDEA can't fund a project for distribution lines off the main pipeline, just that they won't be involved in the financing

of a main transmission line from either Cook Inlet or the North Slope.

[3:47:30 PM](#)

REPRESENTATIVE JOHNSON asked for clarification on the page reference.

MR. WRIGHT referred to page 10, line 30 of SB 25.

[3:48:07 PM](#)

REPRESENTATIVE JOHNSON moved to adopt Conceptual Amendment 1, as follows: on page 10, line 30, following "North Slope to market" insert, "or Cook Inlet."

[3:48:34 PM](#)

REPRESENTATIVE SADDLER asked whether he wanted it limited to those two and then acknowledged it should be limited to the North Slope and Cook Inlet.

There being no further objection, Conceptual Amendment 1 was adopted.

[3:49:08 PM](#)

REPRESENTATIVE JOHNSON asked for the sponsor's comments to the amendments.

[3:49:20 PM](#)

MICHAEL PAWLOWSKI, Staff, Senator Lesil McGuire, Alaska State Legislature, stated that he understood the committee's actions, but pointed out the sponsor supports the language which excluded property owned by the AIDEA which is exempt from city or borough taxes. He acknowledged that removal of the language would return the fiscal note to a zero fiscal note. He reiterated that as the committee considers changes to note the proposed CS would substantively reduce the fiscal impact. He said Senator McGuire was fine with the changes in exclusion of large-scale natural gas pipeline projects, and was comfortable with adding the North Slope or Cook Inlet language since the amount of money in the fund is not enough to get close to a large-scale project. Additionally, funding natural gas pipeline projects would crowd out other projects this bill is intended to cover - which are the medium to smaller-scale projects around the state.

REPRESENTATIVE JOHNSON related he has answered his questions.

CHAIR OLSON removed his objection.

[3:51:06 PM](#)

REPRESENTATIVE JOHNSON moved to report the proposed committee substitute (CS) for SB 25, Version 27-LS-0290\L, Kirsch, 4/14/12, as amended, out of committee with individual recommendations and the accompanying fiscal notes, which he understood would be zero fiscal notes in the next committee. There being no further objection, the HCSCSSS SB25(L&C) was reported from the House Labor and Commerce Standing Committee.

[3:51:32 PM](#)

#### **ADJOURNMENT**

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at 3:51 p.m.