

# HOUSE JOURNAL

## ALASKA STATE LEGISLATURE

### TWENTY-EIGHTH LEGISLATURE - SECOND SESSION

Juneau, Alaska

Wednesday

January 29, 2014

#### Ninth Day

Pursuant to adjournment the House was called to order by Speaker Chenault at 10:33 a.m.

Roll call showed 37 members present. Representative Higgins had been excused from a call of the House today. There was one vacancy.

Representative Pruitt moved and asked unanimous consent that Representative Millett be excused from a call of the House from today to 8:00 a.m., January 30. There being no objection, it was so ordered.

The invocation was offered by the Chaplain, the Most Reverend Edward J. Burns of the Catholic Diocese of Juneau. Representative P. Wilson moved and asked unanimous consent that the invocation be spread on the journal. There being no objection, it was so ordered.

Good and gracious God, we come before you confident in your love for us. We ask that you bless the members of this House of Representatives. In their work, may they reflect your justice. In their decisions, may they reflect your wisdom. In their actions, may they reflect your love. And may all of us reflect that you have created us in your image.

Heavenly Father, we pray and support our legislators as they represent us in bringing forth the laws of this land. May they always strive for the common good in this state of Alaska. Guide them, protect their families, and may they always know your peace and presence in their lives.

We ask, too, for your blessing upon the neediest in our world and in our state. In particular, we are mindful of our brothers and sisters who face the challenges of a harsh winter. We ask for your providential care for them. Through our charitable works and acts of kindness, may they know your presence and consolation.

We offer this prayer in your Name and to your glory forever and ever. Amen.

The Pledge of Allegiance was led by Representative Costello.

### **CERTIFICATION OF THE JOURNAL**

Representative Pruitt moved and asked unanimous consent that the journal for the seventh and eighth legislative days 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 referred to the Rules Committee for placement on the calendar:

Honoring – William Joseph Scannell IV  
By Senator French

In Memoriam – Representative Richard "Dick" Greuel  
By Representative Guttenberg; Senator Egan

In Memoriam – Katie John  
By Representative Foster; Senator Olson

In Memoriam – Richard H. Rapp  
By Senator Gardner; Representative Josephson

**INTRODUCTION, FIRST READING, AND REFERENCE  
OF HOUSE RESOLUTIONS****HJR 24**

HOUSE JOINT RESOLUTION NO. 24 by Representatives HERRON, Edgmon, and Tarr:

Urging the United States Department of State to consider the priorities of the state while it holds the position of chair of the Arctic Council; requesting that the United States Department of State work in partnership with state officials to appoint a chair of the Arctic Council; and supporting the strategic recommendations of the January 30, 2014, preliminary report of the Alaska Arctic Policy Commission.

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

**INTRODUCTION, FIRST READING, AND REFERENCE  
OF HOUSE BILLS****HB 282**

HOUSE BILL NO. 282 by Representative ISAACSON, entitled:

"An Act relating to the rights and obligations of residential landlords and tenants; and relating to the taking of a permanent fund dividend for rent and damages owed to a residential landlord."

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

**HB 283**

HOUSE BILL NO. 283 by Representatives KAWASAKI, Guttenberg, and Tuck, entitled:

"An Act relating to the powers of municipalities; prohibiting state and municipal agencies from using assets to assist a federal agency in collecting certain telephone records or electronic data without a warrant; prohibiting state and municipal agencies, officers, employees, and agents from cooperating with a federal

agency in collecting certain telephone records or electronic data without a warrant; and providing for an effective date."

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

**HB 284**

HOUSE BILL NO. 284 by Representative KELLER, entitled:

"An Act relating to an interstate compact on a balanced federal budget."

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

**HB 285**

HOUSE BILL NO. 285 by Representative CHENAULT, entitled:

"An Act excluding certain land from the Kachemak Bay Critical Habitat Area."

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

**HB 286**

HOUSE BILL NO. 286 by the House Rules Committee by request of the Governor, entitled:

"An Act relating to the Teachers' Retirement System, the Judicial Retirement System, and the Public Employees' Retirement System for qualified military service; relating to the definition of 'veteran' for purposes of housing, eligibility for veterans' loans, and preferences in state employment hiring; and providing for an effective date."

was read the first time and referred to the House Special Committee on Military & Veterans' Affairs and the Labor & Commerce Committee.

The following fiscal note(s) apply:

1. Zero, Dept. of Administration
2. Zero, Dept. of Administration

3. Zero, Dept. of Commerce, Community, & Economic Development
4. Zero, Dept. of Revenue

The Governor's transmittal letter dated January 28, 2014, follows:

"Dear Speaker Chenault:

With over 74,000 veterans calling Alaska home, our state has more veterans per capita than any other state, comprising 15 percent of Alaska's population. Together, we strongly support and honor our veterans and military families.

Under the authority of Article III, Section 18 of the Alaska Constitution, I am transmitting a bill relating to the Teachers' Retirement System, the Judicial Retirement System, and the Public Employees' Retirement System for qualified military service; and relating to the definition of "veteran" for purposes of housing, eligibility for veterans' loans, and preferences in State employment hiring.

Under Alaska law, veterans are eligible for special loan, housing, and employment preferences. However, the current statutory language limits these preferences to veterans of foreign wars up to and including the Vietnam War, and the State is currently unable to extend these preferences to veterans of recent conflicts. In recognition of our servicemen and women, this bill amends preference eligibility statutes to reflect updated periods of service in order to include veterans of more recent wars and conflicts extending eligibility for veterans' preferences to veterans of the 1991 Gulf War, veterans who served on active duty during Operation Iraqi Freedom, and includes provisions should future conflicts arise.

The bill will also ensure that military families receive full survivor benefits for fallen soldiers by implementing provisions of Heroes Earnings Assistance and Relief Tax Act (HEART Act) as they apply to the State PERS, TERS, and JERS retirement plans. Under the HEART Act, employers are required to treat workers as if they were rehired the day before they died, ensuring that the worker is covered by the retirement plan at the time of death. The Act also addresses differential wage payments, compensation that a service member

would have received from the employer during the service member's period of active duty had the employee not been called to active duty, to be treated as compensation for purpose of IRS reporting.

In addition to our many veterans, Alaska is privileged to have nearly 25,000 active military members and their families in our state. We are honored to have these forces call Alaska home, and we remain committed to supporting them and encouraging them to be an active part of our state for years after their military service ends.

I urge your prompt and favorable action on this measure.

Sincerely,

/s/

Sean Parnell  
Governor"

**HB 287**

HOUSE BILL NO. 287 by the House Rules Committee by request of the Governor, entitled:

"An Act approving and ratifying the sale of royalty oil by the State of Alaska to Tesoro Corporation and Tesoro Refining and Marketing Company LLC; 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. Indeterminate, Dept. of Natural Resources

The Governor's transmittal letter dated January 28, 2014, follows:

"Dear Speaker Chenault:

Under the authority of Article III, Section 18 of the Alaska Constitution, I am transmitting a bill approving and ratifying the sale

of royalty oil by the State of Alaska to Tesoro Refining and Marketing Company, LLC (Tesoro).

Tesoro's Nikiski refinery is the largest tax payer in the Kenai Peninsula Borough and supplies products to 31 company-owned Alaska retail outlets and 44 "branded" outlets operated by franchise owners. This legislation would allow Tesoro to continue supplying these outlets with fuel, which will help strengthen Alaska's growing economy. Tesoro is a key economic engine in Alaska and specifically the Kenai Peninsula, employing 200 Alaskans in full-time, high paying positions. The Nikiski refinery produces approximately two to three million gallons per day of refined petroleum products, mostly consumed in Alaska.

This bill would approve and ratify an "Amendment to the Agreement for the Sale of Royalty Oil." The amendment would extend the existing contract by one year, providing for the sale of the State's royalty oil to Tesoro Refining and Marketing Company, LLC, allowing for royalty oil deliveries to continue until January 31, 2016. The contract provides for sale of between 5,000 and 15,000 barrels per day of the State's royalty oil, subject to certain nomination provisions. The royalty oil will be sold at a price calculated to equal or exceed the value the State would obtain for the royalty oil if it was taken in-value and sold by the producers rather than taken in-kind and sold by the State to Tesoro.

The Alaska Royalty Oil and Gas Development Advisory Board reviewed the proposed amendment through a public hearing process and, in accordance with AS 38.06.050, issued a written recommendation on December 11, 2013, for the legislative approval of the sale. A copy of the agreement for the sale of royalty oil to be amended, the resolution recommending approval, and the report required by AS 38.06.070(c) are available from the Department of Natural Resources.

Extending the 2013 Tesoro contract is in the State's best interest and is important to several hundred private-sector employees in the Kenai

Peninsula Region, as well as the economy throughout the state of Alaska.

I urge your prompt and favorable action on this measure.

Sincerely,

/s/

Sean Parnell  
Governor"

**HB 288**

HOUSE BILL NO. 288 by Representatives HERRON and Tuck, entitled:

"An Act creating the Arctic infrastructure development program and fund in the Alaska Industrial Development and Export Authority."

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

**HB 289**

HOUSE BILL NO. 289 by Representatives FOSTER, Kreiss-Tomkins, and Tarr, entitled:

"An Act establishing May 31 of each year as Katie John Day."

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

**CONSIDERATION OF THE DAILY CALENDAR**

**LEGISLATIVE CITATIONS**

Representative Pruitt 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 – Britta Lemley

By Representatives LeDoux, Chenault, Costello, Drummond, Edgmon, Feige, Foster, Gara, Gattis, Gruenberg, Guttenberg, Hawker,

Herron, Higgins, Holmes, Hughes, Isaacson, Johnson, Josephson, Kawasaki, Keller, Kreiss-Tomkins, Lynn, Millett, Munoz, Nageak, Neuman, Olson, Pruitt, Reinbold, Saddler, Seaton, Stoltze, Tarr, Thompson, Tuck, P. Wilson, T. Wilson; Senator Wielechowski

Honoring – Emil Notti

By Representatives Edgmon, Chenault, Austerman, Costello, Drummond, Feige, Foster, Gara, Gattis, Gruenberg, Guttenberg, Hawker, Herron, Higgins, Holmes, Hughes, Isaacson, Johnson, Josephson, Kawasaki, Keller, Kreiss-Tomkins, LeDoux, Lynn, Millett, Munoz, Nageak, Neuman, Olson, Pruitt, Reinbold, Saddler, Seaton, Stoltze, Tarr, Thompson, Tuck, P. Wilson, T. Wilson; Senator McGuire

Honoring – Dirk Sisson

By Senators Gardner, Wielechowski; Representatives Chenault, Costello, Drummond, Edgmon, Feige, Foster, Gara, Gattis, Gruenberg, Guttenberg, Hawker, Herron, Higgins, Holmes, Hughes, Isaacson, Johnson, Josephson, Kawasaki, Keller, Kreiss-Tomkins, LeDoux, Lynn, Millett, Munoz, Nageak, Neuman, Olson, Pruitt, Reinbold, Saddler, Seaton, Tarr, Thompson, Tuck, P. Wilson, T. Wilson

Honoring – Susan Orlansky

By Senators Gardner, Ellis; Representatives Chenault, Costello, Drummond, Edgmon, Feige, Foster, Gara, Gattis, Gruenberg, Guttenberg, Hawker, Herron, Higgins, Holmes, Isaacson, Johnson, Josephson, Kawasaki, Keller, Kreiss-Tomkins, LeDoux, Lynn, Millett, Munoz, Nageak, Neuman, Olson, Pruitt, Reinbold, Saddler, Seaton, Tarr, Thompson, Tuck, P. Wilson, T. Wilson

Honoring – Chief David Squires

By Senator Giessel; Representatives Chenault, Costello, Drummond, Edgmon, Feige, Foster, Gara, Gattis, Gruenberg, Guttenberg, Hawker, Herron, Higgins, Holmes, Hughes, Isaacson, Johnson, Josephson, Kawasaki, Keller, Kreiss-Tomkins, LeDoux, Lynn, Millett, Munoz, Nageak, Neuman, Olson, Pruitt, Reinbold, Saddler, Seaton, Stoltze, Tarr, Thompson, Tuck, P. Wilson, T. Wilson

In Memoriam – Donald "Buzz" Schwall

By Representatives Gara, Chenault, Costello, Drummond, Edgmon, Feige, Foster, Gattis, Gruenberg, Guttenberg, Hawker, Herron, Higgins, Holmes, Hughes, Isaacson, Johnson, Josephson, Kawasaki, Keller, Kreiss-Tomkins, LeDoux, Lynn, Millett, Munoz, Nageak, Neuman, Olson, Pruitt, Reinbold, Saddler, Seaton, Stoltze, Tarr, Thompson, Tuck, P. Wilson, T. Wilson

In Memoriam – William Thomas Maher II

By Senator Hoffman; Representatives Chenault, Costello, Drummond, Edgmon, Feige, Foster, Gara, Gattis, Gruenberg, Guttenberg, Hawker, Herron, Higgins, Holmes, Hughes, Isaacson, Johnson, Josephson, Kawasaki, Keller, Kreiss-Tomkins, LeDoux, Lynn, Millett, Munoz, Nageak, Neuman, Olson, Pruitt, Reinbold, Saddler, Seaton, Stoltze, Tarr, Thompson, Tuck, P. Wilson, T. Wilson

In Memoriam – John Michael Beyers

By Senators Gardner, McGuire; Representatives Chenault, Costello, Drummond, Edgmon, Feige, Foster, Gara, Gattis, Gruenberg, Guttenberg, Hawker, Herron, Higgins, Holmes, Hughes, Isaacson, Johnson, Josephson, Kawasaki, Keller, Kreiss-Tomkins, LeDoux, Lynn, Millett, Munoz, Nageak, Neuman, Olson, Pruitt, Reinbold, Saddler, Seaton, Stoltze, Tarr, Thompson, Tuck, P. Wilson, T. Wilson

### **UNFINISHED BUSINESS**

Representative Pruitt 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 Edgmon – from:

6:00 a.m., January 31 to 8:00 a.m., February 3;  
noon, February 6 to 10:00 p.m., February 9;  
6:00 a.m., February 14 to 10:00 p.m., February 16; and  
11:30 a.m., March 6 to 10:00 p.m., March 9

Representative Foster – from 7:30 a.m., February 1 to 1:30 p.m., February 2

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Representative Gattis – from 12:30 p.m., January 30 to 2:00 p.m., February 2

Representative Herron – from 6:00 a.m., January 31 to 8:00 p.m., February 1

Representative LeDoux – from 7:30 a.m., February 14 to 1:30 p.m., February 15

Representative Neuman – from 6:00 p.m., February 14 to 10:30 a.m., February 17; and from 6:00 p.m., February 28 to 10:30 a.m., March 3

Representative Reinbold – from 7:00 p.m., January 30 to 10:00 a.m., February 3

Representative Saddler – from 6:30 p.m., February 7 to 10:30 a.m., February 12 (amended from page 1441)

Representative Thompson – from:  
noon, February 7 to 9:30 a.m., February 10;  
noon, February 21 to 9:30 a.m., February 24; and  
noon, March 5 to 9:30 a.m., March 10

Representative Tuck – from:  
11:00 a.m., February 6 to 10:00 a.m., February 10;  
noon, February 14 to 10:00 a.m., February 17;  
noon, February 28 to 10:00 a.m., March 3;  
11:00 a.m., March 6 to 10:00 a.m., March 11; and  
11:00 a.m., March 14 to 10:00 a.m., March 17

Representative P. Wilson – from 5:00 a.m. to 10:00 p.m., March 5

**HB 99**

Pursuant to:

CS FOR HOUSE BILL NO. 99(RES)

"An Act relating to the membership of the Alaska Minerals Commission; and extending the termination date of the Alaska Minerals Commission."

Chapter No. 34, SLA 2013

A message dated January 30, 2014, was received stating the Speaker appointed the following public members to the Alaska Minerals Commission:

Gregory A. Beischer, 3-year term  
Anna C. Atchison, 2-year term  
Jerome I. Birch, 1-year term

**HCR 15**

Representative Kawasaki added his name as cosponsor to:

HOUSE CONCURRENT RESOLUTION NO. 15  
Relating to the continuation of the Task Force on Unmanned Aircraft Systems.

**HJR 21**

Representative LeDoux added her name as cosponsor to:

HOUSE JOINT RESOLUTION NO. 21  
Opposing cuts to retirement benefits owed to members of the armed services of the United States; and urging the United States Congress to approve legislation allowing members of the armed services of the United States to receive promised retirement benefits.

**HJR 23**

Representatives Hawker and Josephson added their names as cosponsors to:

HOUSE JOINT RESOLUTION NO. 23  
Proclaiming March 27, 2014, as Good Friday Earthquake Remembrance Day.

**HB 199**

Representative Reinbold added her name as cosponsor to:

HOUSE BILL NO. 199  
"An Act relating to Department of Public Safety regulations allowing village public safety officers to carry firearms."

**HB 211**

Representative Tarr added her name as cosponsor to:

HOUSE BILL NO. 211

"An Act relating to the education and employment of individuals with disabilities."

**HB 280**

Representative Gruenberg added his name as cosponsor to:

HOUSE BILL NO. 280

"An Act relating to public school students who are deaf or hard of hearing."

**ANNOUNCEMENTS**

House committee schedules are published under separate cover.

**ADJOURNMENT**

Representative Pruitt moved and asked unanimous consent that the House adjourn until 10:30 a.m., January 30, 2014. There being no objection, the House adjourned at 11:23 a.m.

Suzi Lowell  
Chief Clerk