

HOUSE JOURNAL

ALASKA STATE LEGISLATURE

TWENTY-EIGHTH LEGISLATURE - SECOND SESSION

Juneau, Alaska

Saturday

April 19, 2014

Eighty-ninth Day

Pursuant to adjournment the House was called to order by Speaker Chenault at 2:17 p.m.

Roll call showed 38 members present. Representatives Edgmon and Gara were absent and their presence was noted later.

The invocation was offered by the Chaplain, Kellen Priest, Assistant Chief Clerk. Representative P. Wilson moved and asked unanimous consent that the invocation be spread on the journal. There being no objection, it was so ordered.

Dear Lord,

I thank you for giving us yet another day to just enjoy being alive. This week has been hectic, as session comes to a close, but in the midst of it all, you guide us with a spirit of discernment and a peace in knowing that the issues we are facing in this legislature are being handled fittingly.

Thank you for this gift of life. We might not fully understand the extent of why certain things happen but usually those happenings equip us with the strength and wisdom to keep pressing forward. As we advance with the end of session, please bless each and every person in this building and give us all the strength to finish with integrity. Please, bless and watch over them as they all journey back home. Amen.

The Pledge of Allegiance was led by Representative Gruenberg.

CERTIFICATION OF THE JOURNAL

Representative Pruitt moved and asked unanimous consent that the journal for the 88th legislative day be approved as certified by the Chief Clerk. There being no objection, it was so ordered.

REPORTS OF STANDING COMMITTEES**SB 74**

The Finance Committee considered:

SENATE BILL NO. 74

"An Act creating the University of Alaska building fund for the payment by the University of Alaska of the costs of use, management, operation, maintenance, and depreciation of space in buildings; and authorizing the Board of Regents of the University of Alaska to designate buildings for which the fund is to be used."

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

Do pass (10): Guttenberg, Holmes, Thompson, Munoz, Neuman, Edgmon, T. Wilson, Costello, Stoltze, Austerman

The following fiscal note(s) apply:

4. Zero, Dept. of Administration
5. Zero, Dept. of Revenue
6. Zero, University of Alaska

SB 74 is on today's calendar.

**The presence of Representative Edgmon was noted.

SB 193

The Finance Committee considered:

SENATE BILL NO. 193

"An Act relating to bonds required for contractors."

and recommends it be replaced with:

HOUSE CS FOR SENATE BILL NO. 193(FIN)

"An Act relating to bonds required for contractors; and providing for an effective date."

(technical title change)

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

Do pass (7): Holmes, Thompson, Gara, Edgmon, Munoz, Costello, Austerman

No recommendation (4): Guttenberg, T. Wilson, Neuman, Stoltze

The following fiscal note(s) apply to HCS SB 193(FIN):

5. Zero, Dept. of Commerce, Community, & Economic Development
6. Zero, Dept. of Labor & Workforce Development

SB 193 is on today's calendar.

INTRODUCTION OF CITATIONS

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

Honoring – Erik Bjornsen

By Representative Josephson; Senator Gardner

Honoring – Nuru Cole

By Representative Pruitt; Senator Fairclough

Honoring – Representative Alan David Austerman

By Senator Stevens

Honoring – Selina Duncan Metoyer

By Senator Wielechowski; Representative LeDoux

In Memoriam – Representative Niilo Koponen
 By Representatives Guttenberg, Kawasaki

In Memoriam – Judge James A. von der Heydt
 By Representatives Gruenberg, LeDoux

In Memoriam – Marcell Jackson, M.D.
 By Representative Gruenberg

CONSIDERATION OF THE DAILY CALENDAR

SECOND READING OF SENATE BILLS

SB 71

The following, which is on today's calendar pending referral, is in the Finance Committee:

CS FOR SENATE BILL NO. 71(FIN)
 "An Act relating to the fishery resource landing tax."

SB 74

The following was read the second time:

SENATE BILL NO. 74
 "An Act creating the University of Alaska building fund for the payment by the University of Alaska of the costs of use, management, operation, maintenance, and depreciation of space in buildings; and authorizing the Board of Regents of the University of Alaska to designate buildings for which the fund is to be used."

with the:	Journal Page
FIN RPT 10DP	2624
FN4: ZERO(ADM)	2624
FN5: ZERO(UA)	2624
FN6: ZERO(REV)	2624

**The presence of Representative Gara was noted.

Representative Pruitt moved and asked unanimous consent that SB 74 be considered engrossed, advanced to third reading, and placed on final passage. There being no objection, it was so ordered.

SB 74 was read the third time.

The question being: "Shall SB 74 pass the House?" The roll was taken with the following result:

SB 74

Third Reading

Final Passage

YEAS: 40 NAYS: 0 EXCUSED: 0 ABSENT: 0

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

And so, SB 74 passed the House, was signed by the Speaker and Chief Clerk, and returned to the Senate.

SB 108

The following, which is on today's calendar pending referral, is in the Finance Committee:

CS FOR SENATE BILL NO. 108(JUD)

"An Act relating to the confidentiality of certain records of criminal cases; and providing for an effective date."

SB 119

The following, which is on today's calendar pending referral, is in the Finance Committee:

CS FOR SENATE BILL NO. 119(FIN) am

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

SB 127

The following, which is on today's calendar pending referral, is in the Finance Committee:

SENATE BILL NO. 127

"An Act authorizing the commissioner of administration to enter into agreements with agents to perform for compensation certain transactions related to vehicles; relating to the duties of those agents; and providing for an effective date."

SB 138

The following was read the second time:

CS FOR SENATE BILL NO. 138(FIN) am

"An Act relating to the purposes, powers, and duties of the Alaska Gasline Development Corporation; relating to an in-state natural gas pipeline, an Alaska liquefied natural gas project, and associated funds; requiring state agencies and other entities to expedite reviews and actions related to natural gas pipelines and projects; relating to the authorities and duties of the commissioner of natural resources relating to a North Slope natural gas project, oil and gas and gas only leases, and royalty gas and other gas received by the state including gas received as payment for the production tax on gas; relating to the tax on oil and gas production, on oil production, and on gas production; relating to the duties of the commissioner of revenue relating to a North Slope natural gas project and gas received as payment for tax; relating to confidential information and public record status of information provided to or in the custody of the Department of Natural Resources and the Department of Revenue; relating to apportionment factors of the Alaska Net Income Tax Act; amending the definition of gross value at the 'point of production' for gas for purposes of the oil and gas production tax; clarifying that the exploration incentive credit, the oil or gas producer education credit, and the film production tax credit may not be taken against the gas production tax paid in gas; relating to the oil or gas producer education credit; requesting the governor to establish an interim advisory board to advise the governor on municipal involvement in a North Slope natural gas project; relating to the development of a plan by the Alaska Energy

Authority for developing infrastructure to deliver affordable energy to areas of the state that will not have direct access to a North Slope natural gas pipeline and a recommendation of a funding source for energy infrastructure development; establishing the Alaska affordable energy fund; requiring the commissioner of revenue to develop a plan and suggest legislation for municipalities, regional corporations, and residents of the state to acquire ownership interests in a North Slope natural gas pipeline project; making conforming amendments; and providing for an effective date."

with the:	Journal Page
RES RPT HCS(RES) 3DP 6AM (CS FORTHCOMING)	2306
SENATE LETTER OF INTENT WITH RES REPORT	2306
HCS(RES) NT RECEIVED	2357
FN11: (REV) RECEIVED	2358
FN16: (CED) RECEIVED	2358
FN17: (CED) RECEIVED	2358
FN18: (CED) RECEIVED	2358
FN19: (DNR) RECEIVED	2358
FN20: (REV) RECEIVED	2358
FIN RPT HCS(FIN) NT 8DP 3NR	2603
LETTER OF INTENT WITH FIN REPORT	2605
FN16: (CED)	2606
FN21: (H.FIN/CED)	2606
FN22: (H.FIN/DOT)	2606
FN23: (H.FIN/FUND CAP)	2606
FN24: (H.FIN/REV)	2606
FN25: (REV)	2606
FN26: (H.FIN/DNR)	2606

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

HOUSE CS FOR CS FOR SENATE BILL NO. 138(FIN)
 "An Act relating to the Alaska Gasline Development Corporation; relating to an in-state natural gas pipeline, an Alaska liquefied natural gas project, and associated funds; requiring state agencies and other entities to expedite reviews and actions related to natural

gas pipelines and projects; making certain contracts by the Department of Natural Resources and the Department of Law not subject to the State Procurement Code; relating to the authorities and duties of the commissioner of natural resources relating to a North Slope natural gas project, oil and gas and gas only leases, and royalty gas and other gas received by the state including gas received as payment for the production tax on gas; relating to a report and recommendations by the commissioner of natural resources regarding the delivery and availability of North Slope natural gas in the state, including the identification of risks and recommendations for mitigation; relating to the tax on oil and gas production, on oil production, and on gas production; relating to the duties of the commissioner of revenue relating to a North Slope natural gas project and gas received as payment for tax; relating to confidential information and public record status of information provided to or in the custody of the Department of Natural Resources and the Department of Revenue; relating to apportionment factors of the Alaska Net Income Tax Act; amending the definition of gross value at the 'point of production' for gas for purposes of the oil and gas production tax; clarifying that the exploration incentive credit, the oil or gas producer education credit, and the film production tax credit may not be taken against the gas production tax paid in gas; relating to the oil or gas producer education credit; requiring the commissioner of revenue to provide a report to the legislature on financing options for state ownership and participation in a North Slope natural gas project; requesting the governor to establish an advisory planning group to advise the governor on municipal involvement in a North Slope natural gas project; relating to the development of a plan by the Alaska Energy Authority for developing infrastructure to deliver affordable energy to areas of the state that will not have direct access to a North Slope natural gas pipeline and a recommendation of a funding source for energy infrastructure development; establishing the Alaska affordable energy fund; requiring the Department of Transportation and Public Facilities to evaluate certain bridges and infrastructure related to an Alaska liquefied natural gas project; requiring the commissioner of revenue to develop a plan and suggest legislation for municipalities, regional corporations, and residents of the state to acquire ownership interests in a North Slope natural gas pipeline

project; relating to the duties of the Oil and Gas Competitiveness Review Board; making conforming amendments; and providing for an effective date."

(HCR 28 - title change resolution)

There being no objection, it was so ordered.

The Speaker stated that, without objection, HCS CSSB 138(FIN) would be moved to the bottom of the calendar.

SB 183

The following was read the second time:

SENATE BILL NO. 183

"An Act extending the termination date of the emerging energy technology fund and grant program."

with the:	Journal Page
L&C RPT 5DP	2479
FN1: ZERO(CED)	2479

Representative Pruitt moved and asked unanimous consent that SB 183 be considered engrossed, advanced to third reading, and placed on final passage. There being no objection, it was so ordered.

SB 183 was read the third time.

Representative Kito III moved and asked unanimous consent that he be allowed to abstain from voting because of a conflict of interest. Objection was heard, and Representative Kito III was required to vote.

The question being: "Shall SB 183 pass the House?" The roll was taken with the following result:

SB 183

Third Reading

Final Passage

YEAS: 40 NAYS: 0 EXCUSED: 0 ABSENT: 0

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

And so, SB 183 passed the House.

Representative Johnson gave notice of reconsideration of the vote on SB 183.

SB 187

The following was read the second time:

CS FOR SENATE BILL NO. 187(JUD)(title am)

"An Act relating to the crime of misconduct involving confidential information in the first degree; amending Rule 16, Alaska Rules of Criminal Procedure; amending Rule 8, Alaska Child in Need of Aid Rules; and providing for an effective date."

with the:

Journal Page

JUD RPT HCS(JUD) 1DP 4NR	2399
FN5: ZERO(ADM)	2400
FN6: ZERO(ADM)	2400
FN7: ZERO(COR)	2400
FN8: ZERO(LAW)	2400

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

HOUSE CS FOR CS FOR SENATE BILL NO. 187(JUD)
(same title)

There being no objection, it was so ordered.

Representative Pruitt moved and asked unanimous consent that HCS CSSB 187(JUD) be considered engrossed, advanced to third reading,

and placed on final passage. There being no objection, it was so ordered.

HCS CSSB 187(JUD) was read the third time.

The question being: "Shall HCS CSSB 187(JUD) pass the House?"
The roll was taken with the following result:

HCS CSSB 187(JUD)

Third Reading

Final Passage

YEAS: 40 NAYS: 0 EXCUSED: 0 ABSENT: 0

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

And so, HCS CSSB 187(JUD) passed the House.

Representative Pruitt moved and asked unanimous consent that the roll call on the passage of the bill be considered the roll call on the court rule changes. There being no objection, it was so ordered.

Representative Pruitt moved and asked unanimous consent that the roll call on the passage of the bill be considered the roll call on the effective date clause. There being no objection, it was so ordered.

HCS CSSB 187(JUD) was referred to the Chief Clerk for engrossment.

SB 193

The following was read the second time:

SENATE BILL NO. 193

"An Act relating to bonds required for contractors."

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with the:	Journal Page
L&C RPT 4DP	2534
FN3: ZERO(CED)	2535
FN4: ZERO(LWF)	2535
FIN RPT HCS(FIN) NT 7DP 4NR	2624
FN5: ZERO(CED)	2625
FN6: ZERO(LWF)	2625

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

HOUSE CS FOR SENATE BILL NO. 193(FIN)
"An Act relating to bonds required for contractors; and providing for an effective date."

(technical title change)

There being no objection, it was so ordered.

Representative Pruitt moved and asked unanimous consent that HCS SB 193(FIN) be considered engrossed, advanced to third reading, and placed on final passage. There being no objection, it was so ordered.

HCS SB 193(FIN) was read the third time.

The question being: "Shall HCS SB 193(FIN) pass the House?" The roll was taken with the following result:

HCS SB 193(FIN)
Third Reading
Final Passage

YEAS: 38 NAYS: 0 EXCUSED: 0 ABSENT: 2

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

Absent: Reinbold, Stoltze

And so, HCS SB 193(FIN) passed the House.

Representative Pruitt moved and asked unanimous consent that the roll call on the passage of the bill be considered the roll call on the effective date clause. There being no objection, it was so ordered.

HCS SB 193(FIN) was referred to the Chief Clerk for engrossment.

SB 195

The following was read the second time:

CS FOR SENATE BILL NO. 195(FIN)

"An Act relating to the membership and authority of the Alaska Commission on Postsecondary Education; relating to the Alaska Student Loan Corporation; relating to teacher education loans; relating to interest on and consolidation of postsecondary education loans; relating to Alaska supplemental education loans; relating to AlaskAdvantage grants; relating to the Alaska family education loan program; relating to postsecondary educational institutions; and providing for an effective date."

with the:

Journal Page

EDC RPT 5DP 1NR	2216
FN2: (EED)	2216
FIN RPT HCS(FIN) 11DP	2587
FN3: (EED)	2587

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

HOUSE CS FOR CS FOR SENATE BILL NO. 195(FIN)
(same title)

There being no objection, it was so ordered.

Representative Pruitt moved and asked unanimous consent that HCS CSSB 195(FIN) be considered engrossed, advanced to third reading, and placed on final passage. There being no objection, it was so ordered.

HCS CSSB 195(FIN) was read the third time.

Representative Hughes moved and asked unanimous consent that she be allowed to abstain from voting because of a conflict of interest. Objection was heard, and Representative Hughes was required to vote.

The question being: "Shall HCS CSSB 195(FIN) pass the House?"
The roll was taken with the following result:

HCS CSSB 195(FIN)
Third Reading
Final Passage

YEAS: 39 NAYS: 0 EXCUSED: 0 ABSENT: 1

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

Absent: T.Wilson

And so, HCS CSSB 195(FIN) passed the House.

Representative Pruitt moved and asked unanimous consent that the roll call on the passage of the bill be considered the roll call on the effective date clause. There being no objection, it was so ordered.

Representative Johnson gave notice of reconsideration of the vote on HCS CSSB 195(FIN).

SB 218

The following, which is on today's calendar pending referral, is in the Finance Committee:

CS FOR SENATE BILL NO. 218(FIN)

"An Act relating to financing; relating to the Alaska Municipal Bond Bank Authority; authorizing the University of Alaska to issue bonds to finance the design, construction, acquisition, and equipping costs of the University of Alaska Fairbanks heat and power plant; authorizing the University of Alaska to borrow money from the Alaska Municipal Bond Bank Authority to finance the design, construction, acquisition, and equipping costs of the University of Alaska Fairbanks heat and power plant; and providing for an effective date."

SECOND READING OF HOUSE RESOLUTIONS**HCR 28**

The Speaker stated that, without objection, the following would be moved to the bottom of the calendar:

HOUSE CONCURRENT RESOLUTION NO. 28

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning Senate Bill No. 138, relating to the purposes, powers, and duties of the Alaska Gasline Development Corporation; relating to an in-state natural gas pipeline, an Alaska liquefied natural gas project, and associated funds; requiring state agencies and other entities to expedite reviews and actions related to natural gas pipelines and projects; relating to the authorities and duties of the commissioner of natural resources relating to a North Slope natural gas project, oil and gas and gas only leases, and royalty gas and other gas received by the state including gas received as payment for the production tax on gas; relating to the tax on oil and gas production, on oil production, and on gas production; relating to the duties of the commissioner of revenue relating to a North Slope natural gas project and gas received as payment for tax; relating to confidential information and public record status of information provided to or in the custody of the Department of Natural Resources and the Department of Revenue; relating to apportionment factors of the Alaska Net Income Tax Act; amending the definition of gross value at the "point of production" for gas for purposes of the oil and gas production tax; clarifying that the exploration incentive credit, the oil or gas producer

education credit, and the film production tax credit may not be taken against the gas production tax paid in gas; relating to the oil or gas producer education credit; requesting the governor to establish an interim advisory board to advise the governor on municipal involvement in a North Slope natural gas project; relating to the development of a plan by the Alaska Energy Authority for developing infrastructure to deliver affordable energy to areas of the state that will not have direct access to a North Slope natural gas pipeline and a recommendation of a funding source for energy infrastructure development; establishing the Alaska affordable energy fund; requiring the commissioner of revenue to develop a plan and suggest legislation for municipalities, regional corporations, and residents of the state to acquire ownership interests in a North Slope natural gas pipeline project; and making conforming amendments.

THIRD READING OF SENATE BILLS

SB 157

The following, which was advanced to third reading from the April 18, 2014, calendar (page 2610), was read the third time:

HOUSE CS FOR SENATE BILL NO. 157(CRA)

"An Act relating to municipal fire protection service area boundary changes."

The question being: "Shall HCS SB 157(CRA) pass the House?" The roll was taken with the following result:

HCS SB 157(CRA)

Third Reading

Final Passage

YEAS: 38 NAYS: 0 EXCUSED: 0 ABSENT: 2

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

Absent: Reinbold, Stoltze

And so, HCS SB 157(CRA) passed the House.

Representative Feige gave notice of reconsideration of the vote on HCS SB 157(CRA).

LEGISLATIVE CITATIONS

Representative Pruitt moved and asked unanimous consent that all members of the House be shown as cosponsors of the citation, Honoring – Representative Alan David Austerman (introduced page 2625). There being no objection, it was so ordered.

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 – Jean Sauget

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

Honoring – Wynona Sampson

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

Honoring – Alaska Women's Hall of Fame 2014

By Representatives Tarr, Drummond, Holmes, Chenault, Costello, Edgmon, Feige, Foster, Gara, Gattis, Gruenberg, Guttenberg, Hawker, Herron, Higgins, Hughes, Isaacson, Johnson, Josephson, Kawasaki, Keller, Kito III, Kreiss-Tomkins, LeDoux, Lynn, Millett, Munoz,

Nageak, Neuman, Olson, Pruitt, Reinbold, Saddler, Seaton, Stoltze, Thompson, Tuck, P. Wilson, T. Wilson

Honoring – Christmas in Ice

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

Honoring – Reece Robinson 2014 CIC MVP and Class 4A Player of the Year

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

In Memoriam – Alejandra Semana

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

In Memoriam – Giorgio Chrimat

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

In Memoriam – Bing Santamour

By Representatives Herron, Chenault, Costello, Drummond, Edgmon, Feige, Foster, Gara, Gattis, Gruenberg, Guttenberg, Hawker, Higgins, Holmes, Hughes, Isaacson, Johnson, Josephson, Kawasaki, Keller,

Kito III, Kreiss-Tomkins, LeDoux, Lynn, Millett, Munoz, Nageak, Neuman, Olson, Pruitt, Reinbold, Saddler, Seaton, Stoltze, Tarr, Thompson, Tuck, P. Wilson, T. Wilson; Senator Hoffman

The Speaker stated that, without objection, the House would recess until 5:00 p.m.; and so, the House recessed at 3:34 p.m.

AFTER RECESS

The Speaker called the House back to order at 5:38 p.m.

SECOND READING OF SENATE BILLS

(continued)

SB 138

The following, which was moved to the bottom of the calendar (page 2631), was before the House in second reading:

HOUSE CS FOR CS FOR SENATE BILL NO. 138(FIN)

"An Act relating to the Alaska Gasline Development Corporation; relating to an in-state natural gas pipeline, an Alaska liquefied natural gas project, and associated funds; requiring state agencies and other entities to expedite reviews and actions related to natural gas pipelines and projects; making certain contracts by the Department of Natural Resources and the Department of Law not subject to the State Procurement Code; relating to the authorities and duties of the commissioner of natural resources relating to a North Slope natural gas project, oil and gas and gas only leases, and royalty gas and other gas received by the state including gas received as payment for the production tax on gas; relating to a report and recommendations by the commissioner of natural resources regarding the delivery and availability of North Slope natural gas in the state, including the identification of risks and recommendations for mitigation; relating to the tax on oil and gas production, on oil production, and on gas production; relating to the duties of the commissioner of revenue relating to a North Slope natural gas project and gas received as payment for tax; relating to confidential information and public record status of information provided to or in the custody of the Department of Natural Resources and the Department of Revenue; relating to

apportionment factors of the Alaska Net Income Tax Act; amending the definition of gross value at the 'point of production' for gas for purposes of the oil and gas production tax; clarifying that the exploration incentive credit, the oil or gas producer education credit, and the film production tax credit may not be taken against the gas production tax paid in gas; relating to the oil or gas producer education credit; requiring the commissioner of revenue to provide a report to the legislature on financing options for state ownership and participation in a North Slope natural gas project; requesting the governor to establish an advisory planning group to advise the governor on municipal involvement in a North Slope natural gas project; relating to the development of a plan by the Alaska Energy Authority for developing infrastructure to deliver affordable energy to areas of the state that will not have direct access to a North Slope natural gas pipeline and a recommendation of a funding source for energy infrastructure development; establishing the Alaska affordable energy fund; requiring the Department of Transportation and Public Facilities to evaluate certain bridges and infrastructure related to an Alaska liquefied natural gas project; requiring the commissioner of revenue to develop a plan and suggest legislation for municipalities, regional corporations, and residents of the state to acquire ownership interests in a North Slope natural gas pipeline project; relating to the duties of the Oil and Gas Competitiveness Review Board; making conforming amendments; and providing for an effective date."

(HCR 28 - title change resolution)

Amendment No. 1 was offered by Representative Gara:

Page 18, following line 26:

Insert a new subsection to read:

"(e) An agreement or contract in which the state or an entity of the state is a party that provides for the midstream transportation by a third party of natural gas received by the state as royalty or payment of tax may not require the state to reimburse the third party an amount for funds used during construction that is calculated using a rate that is more than one percent higher than the five-year constant maturity treasury rate reported by the

federal reserve as of the date the agreement or contract is terminated. In this subsection, "midstream" means that part of a North Slope natural gas project that is upstream of a natural gas liquefaction facility."

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

Representative Hawker objected.

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

HCS CSSB 138(FIN)
Second Reading
Amendment No. 1

YEAS: 10 NAYS: 29 EXCUSED: 0 ABSENT: 1

Yeas: Drummond, Gara, Gruenberg, Guttenberg, Josephson, Kawasaki, Kito III, Kreiss-Tomkins, Tarr, Tuck

Nays: Austerman, Chenault, Costello, Edgmon, Feige, Foster, Gattis, Hawker, Herron, Higgins, Holmes, Hughes, Isaacson, Johnson, Keller, LeDoux, Lynn, Millett, Munoz, Nageak, Neuman, Olson, Pruitt, Saddler, Seaton, Stoltze, Thompson, P.Wilson, T.Wilson

Absent: Reinbold

And so, Amendment No. 1 was not adopted.

Amendment No. 2 was offered by Representative Gara:

Page 31, line 15:

Delete "**13**"

Insert "**16**"

Page 31, line 16, following "**gas**":

Insert "**or three percent of the gross value at the point of production of the taxable gas that is subject to the election in AS 43.55.014**"

Page 33, lines 11 - 12:

Delete "lieu of the tax otherwise"

Insert "addition to the three percent tax of the gross value at the point of production"

Page 33, line 17:

Delete "otherwise"

Page 43, line 6:

Delete "**13 percent**"

Insert "**three percent or 16 percent, as applicable,**"

Page 43, line 21:

Delete "**13 percent**"

Insert "**three percent or 16 percent, as applicable,**"

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

Representative Feige objected.

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

HCS CSSB 138(FIN)

Second Reading

Amendment No. 2

YEAS: 9 NAYS: 29 EXCUSED: 0 ABSENT: 2

Yeas: Drummond, Gara, Gruenberg, Josephson, Kawasaki, Kito III, Kreiss-Tomkins, Tarr, Tuck

Nays: Austerman, Chenault, Costello, Edgmon, Feige, Foster, Gattis, Guttenberg, Hawker, Herron, Higgins, Holmes, Hughes, Isaacson, Keller, LeDoux, Lynn, Millett, Munoz, Nageak, Neuman, Olson, Pruitt, Reinbold, Saddler, Seaton, Stoltze, P.Wilson, T.Wilson

Absent: Johnson, Thompson

And so, Amendment No. 2 was not adopted.

Amendment No. 3 was offered by Representative Tarr:

Page 17, line 30:

Delete "a new section"
Insert "new sections"

Page 18, following line 26:

Insert a new section to read:

"Sec. 38.05.024. Prohibited agreement or contract term relating to the tax on oil production. An agreement or contract negotiated under AS 38.05.020(b)(11) or other agreement or contract in which the state or an entity of the state is a party and that is associated with a North Slope natural gas project may not include a provision that reduces the tax levied on oil production under AS 43.55.011 or that requires compensation to a producer for future changes in the tax levied on oil production under AS 43.55.011."

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

Representative Feige objected.

Representative Tarr moved and asked unanimous consent to withdraw Amendment No. 3. There being no objection, it was so ordered.

Amendment No. 4 was offered by Representative Gara:

Page 18, following line 26:

Insert a new subsection to read:

"(e) An agreement or contract negotiated under AS 38.05.020(b)(11) or other agreement or contract in which the state or an entity of the state is a party and that is associated with a North Slope natural gas project may allow all parties the benefit of equalized capital costs that result from the expansion of the project. However, the agreement or contract must provide for an expansion to transport additional natural gas produced from a lease or property subject to the tax levied under AS 43.55.011(e) that may increase the average capital cost for each 1,000 cubic feet of natural gas above the level before the expansion; however,

the cost of the expansion may not increase the equalized capital costs for a party that does not participate in the expansion above the highest capital cost for each 1,000 cubic feet of natural gas before the expansion."

Representative Gara 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:

HCS CSSB 138(FIN)

Second Reading

Amendment No. 4

YEAS: 9 NAYS: 30 EXCUSED: 0 ABSENT: 1

Yeas: Drummond, Gara, Gruenberg, Josephson, Kawasaki, Kito III, Kreiss-Tomkins, Tarr, Tuck

Nays: Austerman, Chenault, Costello, Edgmon, Feige, Foster, Gattis, Guttenberg, Hawker, Herron, Higgins, Holmes, Hughes, Isaacson, Johnson, Keller, LeDoux, Lynn, Millett, Munoz, Nageak, Neuman, Olson, Pruitt, Reinbold, Saddler, Seaton, Stoltze, Thompson, T. Wilson

Absent: P. Wilson

And so, Amendment No. 4 was not adopted.

Amendment No. 5 was offered by Representative Tarr:

Page 51, line 25:

Delete "a new subsection"

Insert "new subsections"

Page 52, line 2:

Delete "and gas"

Page 52, line 11:

Delete "and gas"

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Page 52, line 13:

Delete "and gas"

Page 52, lines 18 - 19:

Delete "and gas"

Page 52, line 27:

Delete "and gas"

Page 52, line 28:

Delete "and gas"

Page 53, following line 1:

Insert a new subsection to read:

"(i) For purposes of (h) of this section, for a lease or property that produces both oil and gas, the portion of the

(1) operating costs that are lease expenditures attributable to oil incurred to explore for, develop, or produce an oil and gas deposit is a fraction the numerator of which is the production of oil expressed in BTU equivalent barrels and the denominator of which is the total production of oil and gas expressed in BTU equivalent barrels; and

(2) capital costs that are lease expenditures attributable to oil incurred to explore for, develop, or produce an oil and gas deposit is a fraction the numerator of which is the total proven reserves of oil of the lease or property expressed in barrels and the denominator of which is the total proven reserves of oil and gas of the lease or property expressed in BTU equivalent barrels."

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

Representative Saddler objected.

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

HCS CSSB 138(FIN)

Second Reading

Amendment No. 5

YEAS: 10 NAYS: 29 EXCUSED: 0 ABSENT: 1

Yeas: Drummond, Gara, Gruenberg, Guttenberg, Josephson, Kawasaki, Kito III, Kreiss-Tomkins, Tarr, Tuck

Nays: Austerman, Chenault, Costello, Edgmon, Feige, Foster, Gattis, Hawker, Herron, Higgins, Holmes, Hughes, Isaacson, Johnson, Keller, LeDoux, Lynn, Munoz, Nageak, Neuman, Olson, Pruitt, Reinbold, Saddler, Seaton, Stoltze, Thompson, P.Wilson, T.Wilson

Absent: Millett

And so, Amendment No. 5 was not adopted.

Amendment No. 6 was not offered.

Amendment No. 7 was offered by Representative Tuck:

Page 2, line 22, following "**project;**" (title amendment):

Insert "**creating an Alaska Due Diligence Task Force;**"

Page 3, following line 1:

Insert a new bill section to read:

"* **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section to read:

LEGISLATIVE FINDINGS FOR SEC. 69 OF THIS ACT. In the creation of an Alaska Due Diligence Task Force under sec. 69 of this Act, the legislature finds that

(1) the Constitution of the State of Alaska mandates the resources of the state be managed for the maximum benefit of the state's people;

(2) the sale of state-owned resources in a manner that maximizes the revenue received by the state, adjusted for inflation, over the life of the project generates the greatest economic value for residents of the state;

(3) the North Slope of the state holds 35,000,000,000,000 cubic feet of proven natural gas reserves, and, for each one dollar increase in the wellhead price of 1,000 cubic feet of gas, the potential state revenue increases by \$35,000,000,000;

(4) the state loses a potential \$35,000,000,000 for each dollar spent on unnecessary resource transportation and production costs;

(5) the most significant means of maximizing the benefit of the state's North Slope energy resources is to deliver energy produced

in the state in the most economical manner possible to as many residents of the state as possible;

(6) keeping transportation and production costs as low as possible will ensure the lowest energy costs to residents of the state;

(7) the Alaska State Legislature finds the following strategic values to be of critical importance to achieving maximum value from the natural gas reserves of the state and finds that those values should be satisfied before the state considers the extraction and use of its resources:

(A) commitments to purchase large volumes of natural gas should be made from creditworthy buyers for a price at which producers are willing to sell;

(B) the wellhead value of natural gas must be sufficiently high to provide adequate revenue to the state;

(C) tariffs and transportation costs must be low enough to guarantee residents of the state low energy costs, now and into the future;

(D) if the state takes an equity position in a natural gas treatment and transportation system, the state must retain the economic rights and benefits commensurate with the equity contribution of the state and must maintain a proportional share of the governance rights through board participation."

Page 3, line 2:

Delete "**Section 1**"

Insert "**Sec. 2**"

Renumber the following bill sections accordingly.

Page 15, line 26:

Delete "sec. 18"

Insert "sec. 19"

Page 23, line 23:

Delete "sec. 31"

Insert "sec. 32"

Page 27, line 16:

Delete "sec. 34"

Insert "sec. 35"

Page 35, line 23:

Delete "sec. 42"

Insert "sec. 43"

Page 62, line 13:

Delete "sec. 27"

Insert "sec. 28"

Page 63, line 16:

Delete "sec. 27"

Insert "sec. 28"

Page 63, following line 16:

Insert a new bill section to read:

**** Sec. 69. ALASKA DUE DILIGENCE TASK FORCE.** (a) The Alaska Gas Due Diligence Task Force is established for the purposes of analyzing options to maximize oil and gas revenue for the state, decreasing energy costs for residents of the state, and lowering resource distribution and infrastructure costs.

(b) the Alaska Gas Due Diligence Task Force shall perform a 30-year cost-benefit and cash flow analysis for the state, resource owners, and residents, in which it reports capital costs and absorption rates, estimates the energy savings to residents in each region of the state, and stress tests each of the following:

(1) any capital project being pursued with the expectation that the state will later import natural gas for utilities in the southcentral region of the state;

(2) continued development and expanded gas exploration, including exploration by jack-up rig, in the Cook Inlet region;

(3) a large-diameter pipe along the Parks Highway to multiple ports in the south-central region of the state coupled with a liquefied natural gas terminal in Cook Inlet;

(4) a large-diameter pipe along the Richardson Highway and a liquefied natural gas terminal in Valdez;

(5) a small-diameter pipe carrying 500,000,000 cubic feet of gas or less from the North Slope to the utility grid of the south-central region of the state with remaining capacity available for export or industrial projects;

(6) a small-diameter pipe connecting Fairbanks to the utility grid of the south-central region of the state;

(7) a gas-to-liquid project on the North Slope with transportation of the resulting product through the existing Trans Alaska Pipeline System; and

(8) a North Slope-oriented liquefied natural gas terminal with liquefied natural gas storage facilities to accommodate seasonal shipping limitations.

(c) The Alaska Gas Due Diligence Task Force shall be made up of experts in the various technical fields for each option investigated who are able to assist in reasonable project analysis including costs, revenue, demand, and operating expenses.

(d) The Alaska Gas Due Diligence Task Force consists of

(1) two members of the senate appointed by the president of the senate, including one member of the minority caucus;

(2) two members of the house of representatives appointed by the speaker of the house of representatives, including one member of the minority caucus;

(3) eight public members who are residents of the state, appointed jointly by the president of the senate and the speaker of the house of representatives, as follows:

(A) one member representing a tribal entity;

(B) one member representing the oil and gas industry;

(C) one member from an accredited university or college who specializes in energy economics;

(D) one member from a local government or association of local governments;

(E) one member from a conservation group;

(F) one member representing a Native corporation organized under the Alaska Native Claims Settlement Act;

(G) one member representing a statewide labor organization;

(H) one member representing an electrical or gas utility that purchases a significant amount of natural gas and is located in the Railbelt region of the state;

(4) one member from the executive branch appointed by the governor.

(e) The Alaska Gas Due Diligence Task Force may retain a nationally respected contractor capable of creating the custom financial models necessary to perform the analytics required by the task force and to report the results of the analysis to the legislature before deliberations on commercial contracts for a large-diameter

liquefied natural gas project at the completion of the pre-front-end engineering and basic engineering design study."

Renumber the following bill sections accordingly.

Page 64, line 22:

Delete "sec. 27"

Insert "sec. 28"

Page 64, line 27:

Delete "sec. 18"

Insert "sec. 19"

Page 64, line 29:

Delete "sec. 18"

Insert "sec. 19"

Page 67, following line 2:

Insert a new bill section to read:

**** Sec. 74.** Section 69 of this Act is repealed December 31, 2015."

Page 67, line 3:

Delete "Sections 1 - 18, 21, 27 - 31, 33, 34, 42, 44, and 60 - 71"

Insert "Sections 2 - 19, 22, 28 - 32, 34, 35, 43, 45, and 61 - 73"

Renumber the following bill sections accordingly.

Page 67, line 5:

Delete "Section 43"

Insert "Section 44"

Page 67, line 6:

Delete "secs. 72 and 73"

Insert "secs. 75 and 76"

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

Representative Feige objected.

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

HCS CSSB 138(FIN)
Second Reading
Amendment No. 7

YEAS: 10 NAYS: 29 EXCUSED: 0 ABSENT: 1

Yeas: Drummond, Gara, Gruenberg, Guttenberg, Josephson, Kawasaki, Kito III, Kreiss-Tomkins, Tarr, Tuck

Nays: Austerman, Chenault, Costello, Edgmon, Feige, Foster, Gattis, Hawker, Herron, Higgins, Holmes, Hughes, Isaacson, Johnson, Keller, LeDoux, Lynn, Millett, Munoz, Nageak, Neuman, Olson, Pruitt, Reinbold, Saddler, Seaton, Thompson, P.Wilson, T.Wilson

Absent: Stoltze

And so, Amendment No. 7 was not adopted.

Representative Pruitt moved and asked unanimous consent that HCS CSSB 138(FIN) be considered engrossed, advanced to third reading, and placed on final passage.

There was objection.

HCS CSSB 138(FIN) will advance to third reading on tomorrow's calendar.

The Speaker stated that the House would stand at ease until 9:00 p.m.; and so, the House stood at ease at 8:33 p.m.

AFTER AT EASE

The Speaker called the House back to order at 9:34 p.m.

The Speaker stated that, without objection, the House would revert to:

REPORTS OF STANDING COMMITTEES

SB 71

The Finance Committee considered:

CS FOR SENATE BILL NO. 71(FIN)

"An Act relating to the fishery resource landing tax."

and recommends it be replaced with:

HOUSE CS FOR CS FOR SENATE BILL NO. 71(FIN)

"An Act relating to the fishery resource landing tax and cost recovery fisheries; and providing for an effective date."

(HCR 31 - title change resolution)

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

Do pass (7): Gara, Holmes, Thompson, Munoz, Edgmon, Costello, Austerman

No recommendation (4): Guttenberg, Neuman, T. Wilson, Stoltze

The following fiscal note(s) apply to HCS CSSB 71(FIN):

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

CSSB 71(FIN) is on today's calendar.

SB 140

The Finance Committee considered:

CS FOR SENATE BILL NO. 140(FIN)

"An Act creating the Arctic infrastructure development program and fund in the Alaska Industrial Development and Export Authority; and relating to dividends from the Alaska Industrial Development and Export Authority."

and recommends it be replaced with:

HOUSE CS FOR CS FOR SENATE BILL NO. 140(FIN)

(same title)

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

Do pass (10): Guttenberg, Holmes, Thompson, Munoz, Gara, Edgmon, T. Wilson, Costello, Stoltze, Austerman

No recommendation (1): Neuman

The following fiscal note(s) apply to HCS CSSB 140(FIN):

1. Fiscal, Dept. of Commerce, Community, & Economic Development

CSSB 140(FIN) was referred to the Rules Committee for placement on the calendar.

SB 218

The Finance Committee considered:

CS FOR SENATE BILL NO. 218(FIN)

"An Act relating to financing; relating to the Alaska Municipal Bond Bank Authority; authorizing the University of Alaska to issue bonds to finance the design, construction, acquisition, and equipping costs of the University of Alaska Fairbanks heat and power plant; authorizing the University of Alaska to borrow money from the Alaska Municipal Bond Bank Authority to finance the design, construction, acquisition, and equipping costs of the University of Alaska Fairbanks heat and power plant; and providing for an effective date."

and recommends it be replaced with:

HOUSE CS FOR CS FOR SENATE BILL NO. 218(FIN)
(same title)

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

Do pass (3): Guttenberg, Thompson, T. Wilson

No recommendation (8): Holmes, Edgmon, Munoz, Neuman, Gara, Costello, Stoltze, Austerman

The following fiscal note(s) apply to HCS CSSB 218(FIN):

1. Fiscal, University of Alaska
4. Fiscal, Dept. of Revenue

CSSB 218(FIN) is on today's calendar.

The Speaker stated that, without objection, the House would advance to:

SECOND READING OF SENATE BILLS

(continued)

SB 71

The following, which was on the calendar pending a report from the Finance Committee (page 2626), was read the second time:

CS FOR SENATE BILL NO. 71(FIN)

"An Act relating to the fishery resource landing tax."

with the:

Journal Page

FIN RPT HCS(FIN) NT 7DP 4NR	2653
FN3: ZERO(CED)	2654
FN4: INDETERMINATE(REV)	2654

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

HOUSE CS FOR CS FOR SENATE BILL NO. 71(FIN)

"An Act relating to the fishery resource landing tax and cost recovery fisheries; and providing for an effective date."

(HCR 31 - title change resolution)

There being no objection, it was so ordered.

Representative Pruitt moved and asked unanimous consent that HCS CSSB 71(FIN) be considered engrossed, advanced to third reading, and placed on final passage. There being no objection, it was so ordered.

HCS CSSB 71(FIN) was read the third time.

Representatives Millett and LeDoux moved and asked unanimous consent that they be allowed to abstain from voting because of a conflict of interest. Objection was heard, and the members were required to vote.

The question being: "Shall HCS CSSB 71(FIN) pass the House?"
The roll was taken with the following result:

HCS CSSB 71(FIN)

Third Reading

Final Passage

YEAS: 40 NAYS: 0 EXCUSED: 0 ABSENT: 0

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

And so, HCS CSSB 71(FIN) passed the House.

Representative Pruitt moved and asked unanimous consent that the roll call on the passage of the bill be considered the roll call on the effective date clause. There being no objection, it was so ordered.

HCS CSSB 71(FIN) was referred to the Chief Clerk for engrossment.

SPECIAL ORDER OF BUSINESS

HCR 31

Representative Pruitt moved and asked unanimous consent that the following by the House Finance Committee be taken up as a Special Order of Business:

HOUSE CONCURRENT RESOLUTION NO. 31

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning Senate Bill No. 71, relating to the fishery resource landing tax.

There being no objection, it was so ordered.

The question being: "Shall HCR 31 pass the House?" The roll was taken with the following result:

HCR 31

Special Order of Business

YEAS: 40 NAYS: 0 EXCUSED: 0 ABSENT: 0

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

And so, HCR 31 passed the House and was referred to the Chief Clerk for engrossment.

SECOND READING OF SENATE BILLS

(continued)

SB 218

The following, which was on the calendar pending a report from the Finance Committee (page 2636), was read the second time:

CS FOR SENATE BILL NO. 218(FIN)

"An Act relating to financing; relating to the Alaska Municipal Bond Bank Authority; authorizing the University of Alaska to issue bonds to finance the design, construction, acquisition, and equipping costs of the University of Alaska Fairbanks heat and power plant; authorizing the University of Alaska to borrow money from the Alaska Municipal Bond Bank Authority to finance the design, construction, acquisition, and equipping costs

of the University of Alaska Fairbanks heat and power plant; and providing for an effective date."

with the:	Journal Page
FIN RPT HCS(FIN) 3DP 8NR	2655
FN1: (UA)	2656
FN4: (REV)	2656

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

HOUSE CS FOR CS FOR SENATE BILL NO. 218(FIN)
(same title)

There being no objection, it was so ordered.

Representative Pruitt moved and asked unanimous consent that HCS CSSB 218(FIN) be considered engrossed, advanced to third reading, and placed on final passage.

There was objection.

HCS CSSB 218(FIN) will advance to third reading on tomorrow's calendar.

SECOND READING OF HOUSE RESOLUTIONS

(continued)

HCR 28

The following, which was moved to the bottom of the calendar (page 2637), will be held to tomorrow's calendar:

HOUSE CONCURRENT RESOLUTION NO. 28

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning Senate Bill No. 138, relating to the purposes, powers, and duties of the Alaska Gasline Development Corporation; relating to an in-state natural gas pipeline, an Alaska liquefied natural gas project, and associated

funds; requiring state agencies and other entities to expedite reviews and actions related to natural gas pipelines and projects; relating to the authorities and duties of the commissioner of natural resources relating to a North Slope natural gas project, oil and gas and gas only leases, and royalty gas and other gas received by the state including gas received as payment for the production tax on gas; relating to the tax on oil and gas production, on oil production, and on gas production; relating to the duties of the commissioner of revenue relating to a North Slope natural gas project and gas received as payment for tax; relating to confidential information and public record status of information provided to or in the custody of the Department of Natural Resources and the Department of Revenue; relating to apportionment factors of the Alaska Net Income Tax Act; amending the definition of gross value at the "point of production" for gas for purposes of the oil and gas production tax; clarifying that the exploration incentive credit, the oil or gas producer education credit, and the film production tax credit may not be taken against the gas production tax paid in gas; relating to the oil or gas producer education credit; requesting the governor to establish an interim advisory board to advise the governor on municipal involvement in a North Slope natural gas project; relating to the development of a plan by the Alaska Energy Authority for developing infrastructure to deliver affordable energy to areas of the state that will not have direct access to a North Slope natural gas pipeline and a recommendation of a funding source for energy infrastructure development; establishing the Alaska affordable energy fund; requiring the commissioner of revenue to develop a plan and suggest legislation for municipalities, regional corporations, and residents of the state to acquire ownership interests in a North Slope natural gas pipeline project; and making conforming amendments.

UNFINISHED BUSINESS

SB 129

Representative Feige moved and asked unanimous consent that reconsideration (page 2591) of the following be held one legislative day:

CS FOR SENATE BILL NO. 129(FIN)

"An Act extending the termination date of the Board of Certified Real Estate Appraisers; relating to real estate appraisers; and providing for an effective date."

SB 71

Representative Millett added her name as cross sponsor to:

HOUSE CS FOR CS FOR SENATE BILL NO. 71(FIN)

"An Act relating to the fishery resource landing tax and cost recovery fisheries; and providing for an effective date."

SB 74

Representative Josephson added his name as cross sponsor to:

SENATE BILL NO. 74

"An Act creating the University of Alaska building fund for the payment by the University of Alaska of the costs of use, management, operation, maintenance, and depreciation of space in buildings; and authorizing the Board of Regents of the University of Alaska to designate buildings for which the fund is to be used."

SB 99

Representatives Kito III and Kreiss-Tomkins added their names as cross sponsors to:

CS FOR SENATE BILL NO. 99(L&C)

"An Act relating to the Alaska Industrial Development and Export Authority revolving fund; limiting the use of the Alaska Industrial Development and Export Authority sustainable energy transmission and supply development fund for certain loans and loan guarantees and allowing the development fund to be used as security for a bond guarantee; amending the definition of 'qualified energy development'; and authorizing the Alaska Industrial Development and Export Authority to issue bonds to finance the infrastructure and construction costs of the Bokan-Dotson Ridge rare earth element project and the Niblack project."

SB 183

Representatives Millett, Josephson, Gara, Drummond, and Isaacson added their names as cross sponsors to:

SENATE BILL NO. 183

"An Act extending the termination date of the emerging energy technology fund and grant program."

SB 187

Representative LeDoux added her name as cross sponsor to:

HOUSE CS FOR CS FOR SENATE BILL NO. 187(JUD)

"An Act relating to the crime of misconduct involving confidential information in the first degree; amending Rule 16, Alaska Rules of Criminal Procedure; amending Rule 8, Alaska Child in Need of Aid Rules; and providing for an effective date."

SB 195

Representatives Costello, Saddler, Millett, and Josephson added their names as cross sponsors to:

HOUSE CS FOR CS FOR SENATE BILL NO. 195(FIN)

"An Act relating to the membership and authority of the Alaska Commission on Postsecondary Education; relating to the Alaska Student Loan Corporation; relating to teacher education loans; relating to interest on and consolidation of postsecondary education loans; relating to Alaska supplemental education loans; relating to AlaskAdvantage grants; relating to the Alaska family education loan program; relating to postsecondary educational institutions; and providing for an effective date."

SB 106

Reconsideration of the following was not taken up on this legislative day. It was signed by the Speaker and Chief Clerk and returned to the Senate:

CS FOR SENATE BILL NO. 106(STA)

"An Act providing for certain individuals who have erected a building on land leased from the state to receive a preference right to purchase certain state land without competitive bid."

ENGROSSMENT**HCR 31**

HCR 31 was engrossed and signed by the Speaker and Chief Clerk.

SB 71

HCS CSSB 71(FIN) was engrossed and signed by the Speaker and Chief Clerk.

SB 187

HCS CSSB 187(JUD) was engrossed, signed by the Speaker and Chief Clerk, and transmitted to the Senate for consideration.

SB 193

HCS SB 193(FIN) 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.

With appointment of the Conference Committee on the operating budget, Rule 23(d) of the Uniform Rules is in effect as of April 8, 2014. Submit written notice of a meeting by 4:00 p.m. to the Chief Clerk's office for publication in the next day's committee schedule.

ADJOURNMENT

Representative Pruitt moved and asked unanimous consent that the House adjourn until 3:00 p.m., April 20, 2014. There being no objection, the House adjourned at 9:55 p.m.

Suzi Lowell
Chief Clerk