

HOUSE JOURNAL

ALASKA STATE LEGISLATURE

TWENTY-EIGHTH LEGISLATURE - SECOND SESSION

Juneau, Alaska

Sunday

April 20, 2014

Ninetieth Day

Pursuant to adjournment the House was called to order by Speaker Chenault at 4:12 p.m.

Roll call showed 37 members present. Representatives Holmes, Kreiss-Tomkins, and Stoltze were absent and their presence was noted later.

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

With the deepest respect for the religious beliefs of all Alaskans, I offer:

The Prayer of St. Francis:

Lord, make me an instrument of Thy peace;
Where there is hatred, let me sow love;
Where there is injury, pardon;
Where there is error, truth;
Where there is doubt, faith;
Where there is despair, hope;
Where there is darkness, light;
And where there is sadness, joy.
O Divine Master, Grant that I may not so much seek
To be consoled as to console;

To be understood as to understand;
To be loved as to love.
For it is in giving that we receive;
It is in pardoning that we are pardoned;
And it is in dying that we are born to eternal life. Amen.

The Pledge of Allegiance was led by Representative Herron.

CERTIFICATION OF THE JOURNAL

Representative Pruitt moved and asked unanimous consent that the journal for the 89th legislative day be approved as certified by the Chief Clerk. There being no objection, it was so ordered.

MESSAGES FROM THE SENATE

HJR 22

A message dated April 19, 2014, was read stating the Senate passed:

HOUSE JOINT RESOLUTION NO. 22 am

Requesting the United States Congress to call a convention of the states to propose amendments to the Constitution of the United States that impose fiscal restraints on the federal government, limit the power and jurisdiction of the federal government, and limit the terms of office of federal government officials; and urging the legislatures of the other 49 states to request the United States Congress to call a convention of the states.

HJR 22 am was referred to the Chief Clerk for enrollment.

HB 210

A message dated April 19, 2014, was read stating the Senate passed:

CS FOR HOUSE BILL NO. 210(FIN) am

"An Act relating to crisis intervention training for school personnel; and relating to restraint and seclusion of students in public schools."

CSHB 210(FIN) am was referred to the Chief Clerk for enrollment.

HB 234

A message dated April 19, 2014, was read stating the Senate passed:

HOUSE BILL NO. 234

"An Act extending the termination date of the Regulatory Commission of Alaska; and providing for an effective date."

HB 234 was referred to the Chief Clerk for enrollment.

HB 297

A message dated April 19, 2014, was read stating the Senate receded from its amendment to:

CS FOR HOUSE BILL NO. 297(FIN)

"An Act recognizing the Alaska Housing Finance Corporation as the authorizing agency to approve home energy rating systems for the state; and providing for an effective date."

namely:

SENATE CS FOR CS FOR HOUSE BILL NO. 297(FIN) am S

"An Act recognizing the Alaska Housing Finance Corporation as the authorizing agency to approve home energy rating systems for the state; 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'; 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; relating to legislative approval for a loan from the power project fund for the Blue Lake hydroelectric project; and providing for an effective date."

(SCR 24 - title change resolution)

CSHB 297(FIN) was referred to the Chief Clerk for enrollment.

HB 385

A message dated April 19, 2014, was read stating the Senate passed:

HOUSE BILL NO. 385

"An Act relating to additional state contributions to the teachers' defined benefit retirement plan and the public employees' defined benefit retirement plan; and providing for an effective date."

with the following amendment, and it is transmitted for consideration:

SENATE CS FOR HOUSE BILL NO. 385(FIN)

"An Act relating to the past service liabilities of the defined benefit plan in the teachers' retirement system and the defined benefit plan in the public employees' retirement system, and to excess assets of those plans on termination of the plans; and providing for an effective date."

(SCR 28 - title change resolution)

HB 385 is under Unfinished Business.

**The presence of Representative Stoltze was noted.

SJR 22

A message dated April 19, 2014, was read stating the Senate concurred in the House amendment to SJR 22 am, thus adopting:

HOUSE CS FOR SENATE JOINT RESOLUTION NO. 22(JUD)

Opposing the warrantless collection of telephone call data by the National Security Agency.

SB 169

A message dated April 19, 2014, was read stating the Senate concurred in the House amendment to CSSB 169(FIN), thus adopting:

HOUSE CS FOR CS FOR SENATE BILL NO. 169(HSS)

"An Act establishing in the Department of Health and Social Services a statewide immunization program and the State Vaccine Assessment Council; creating a vaccine assessment account; requiring a vaccine assessment from assessable entities and other program participants for statewide immunization purchases;

repealing the temporary child and adult immunization program; and providing for an effective date."

SB 173

A message dated April 19, 2014, was read stating the Senate concurred in the House amendment to CSSB 173(JUD), thus adopting:

HOUSE CS FOR CS FOR SENATE BILL NO. 173(JUD)

"An Act relating to a prohibition on the possession, offer, display, marketing, advertising for sale, or sale of illicit synthetic drugs."

Messages dated April 19, 2014, were read stating the Senate passed the following, and they are transmitted for consideration:

**FIRST READING AND REFERENCE
OF SENATE RESOLUTIONS****SCR 27**

SENATE CONCURRENT RESOLUTION NO. 27 by the Senate Transportation Committee:

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning House Bill No. 246, adding additional land and water to the Creamer's Field Migratory Waterfowl Refuge.

was read the first time and taken up later as a Special Order of Business.

SCR 28

SENATE CONCURRENT RESOLUTION NO. 28 by the Senate Finance Committee:

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning House Bill No. 385, relating to additional state contributions to the teachers' defined benefit retirement plan and the public employees' defined benefit retirement plan.

was read the first time and taken up later as a Special Order of Business.

REPORTS OF STANDING COMMITTEES**SB 64**

The Finance Committee considered:

CS FOR SENATE BILL NO. 64(FIN)

"An Act relating to theft and property offenses; relating to the definition of 'prior convictions' for certain theft offenses; establishing the Alaska Criminal Justice Commission and providing an expiration date; relating to the crime of custodial interference; relating to the duties of the Alaska Judicial Council; relating to jail-time credit for offenders in court-ordered treatment programs; relating to conditions of release, probation, and parole; relating to duties of the commissioner of corrections and board of parole; establishing a fund for reducing recidivism in the Department of Health and Social Services; requiring the commissioner of health and social services to establish programs for persons on conditions of release or probation that require testing for controlled substances and alcoholic beverages; requiring the board of parole to establish programs for persons on parole that require testing for controlled substances and alcoholic beverages; relating to the duties of the Department of Health and Social Services; and providing for an effective date."

and recommends it be replaced with:

HOUSE CS FOR CS FOR SENATE BILL NO. 64(FIN)

"An Act relating to theft and property offenses; relating to the definition of 'prior convictions' for certain theft offenses; establishing the Alaska Criminal Justice Commission and providing an expiration date; relating to electronic monitoring for certain persons convicted of driving while under the influence; relating to the crime of custodial interference; relating to the duties of the Alaska Judicial Council; relating to jail-time credit for offenders in court-ordered treatment programs; relating to conditions of release, probation, and parole; relating to a mitigating factor for a person suffering from combat-related post-traumatic stress disorder or combat-related traumatic brain injury; relating to duties of the commissioner of corrections and board of parole; establishing a program for reducing recidivism in the Department of Health and Social Services; requiring the

commissioner of health and social services to establish programs for persons on conditions of release or probation that require testing for controlled substances and alcoholic beverages; requiring the board of parole to establish programs for persons on parole that require testing for controlled substances and alcoholic beverages; relating to the duties of the Department of Health and Social Services; and providing for an effective date."

(HCR 27 - title change resolution)

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

Do pass (6): Guttenberg, Thompson, Gara, Holmes, Munoz, Edgmon

No recommendation (5): Neuman, T. Wilson, Costello, Stoltze, Austerman

The following fiscal note(s) apply to HCS CSSB 64(FIN):

8. Zero, Dept. of Administration
10. Zero, Dept. of Administration
13. Zero, Office of the Governor
14. Fiscal, Senate Finance Committee/Dept. of Health & Social Services
16. Fiscal, Senate Finance Committee/Dept. of Corrections
21. Zero, Alaska Court System
22. Indeterminate, Dept. of Law
23. Fiscal, Alaska Court System
24. Fiscal, Dept. of Corrections
25. Fiscal, House Finance Committee/Dept. of Health & Social Services

CSSB 64(FIN) was referred to the Rules Committee for placement on the calendar.

REPORTS OF SPECIAL COMMITTEES

HB 266

The Conference Committee with limited powers of free conference considering CSHB 266(FIN) and SCS CSHB 266(FIN) recommends the following be adopted:

CONFERENCE CS FOR HOUSE BILL NO. 266

"An Act making appropriations for the operating and loan program expenses of state government and for certain programs, capitalizing funds, and making reappropriations; and providing for an effective date."

The report was signed by Representatives Austerman (Chair), Stoltze, Gara; and Senators Kelly (Chair), Meyer, Hoffman.

A fiscal note package was attached.

The report was received in the Chief Clerk's office at 11:58 p.m., April 19, 2014, and is under Unfinished Business.

Representative Pruitt moved and asked unanimous consent that Rule 42(c) of the Uniform Rules be waived. There being no objection, it was so ordered.

HB 267

The Conference Committee with limited powers of free conference considering CSHB 267(FIN) and SCS CSHB 267(FIN) recommends the following be adopted:

CONFERENCE CS FOR HOUSE BILL NO. 267

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

The report was signed by Representatives Austerman (Chair), Stoltze, Gara; and Senators Kelly (Chair), Meyer, Hoffman.

The report was received in the Chief Clerk's office at 11:58 p.m., April 19, 2014, and is under Unfinished Business.

Representative Pruitt moved and asked unanimous consent that Rule 42(c) of the Uniform Rules be waived. There being no objection, it was so ordered.

**The presence of Representative Holmes was noted.

INTRODUCTION OF CITATIONS

The following citations were introduced and taken up later as a Special Order of Business:

Honoring – Rene Haag
By Representative Gruenberg

In Memoriam – Sue F. Foley
By Representative Gruenberg

In accordance with Rule 30(b) of the Uniform Rules, the Speaker announced that reconsideration was not available on the 90th legislative day.

In accordance with Rule 43(b) of the Uniform Rules, the Speaker announced that engrossment may be waived on the bills on today's calendar.

**The presence of Representative Kreiss-Tomkins was noted.

CONCUR IN SENATE AMENDMENTS

HB 246

Representative Pruitt moved and asked unanimous consent that the House consider the Senate message (page 2602) on the following:

HOUSE BILL NO. 246

"An Act adding additional land and water to the Creamer's Field Migratory Waterfowl Refuge."

and

HOUSE BILL NO. 246 am S

"An Act adding additional land and water to the Creamer's Field Migratory Waterfowl Refuge; designating the House of Wickersham as the official residence of the lieutenant governor and making the House of Wickersham available for other uses; and relating to per diem claims by the lieutenant governor that are related to the location of the official residence of the lieutenant governor."

(SCR 27 - title change resolution)

There being no objection, it was so ordered.

Representative Pruitt moved that the House concur in the Senate amendment to HB 246, thus adopting HB 246 am S, and recommended that the members vote yes.

The question being: "Shall the House concur in the Senate amendment to HB 246?" The roll was taken with the following result:

HB 246 am S
Concur

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, Saddler, Seaton, Stoltze, Tarr, Thompson, Tuck, P.Wilson, T.Wilson

Absent: Reinbold

And so, the House concurred in the Senate amendment.

The Chief Clerk notified the Senate.

HB 246 am S was referred to the Chief Clerk for enrollment.

SPECIAL ORDER OF BUSINESS

SCR 27

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

SENATE CONCURRENT RESOLUTION NO. 27
Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning House Bill No. 246, adding additional land and water to the Creamer's Field Migratory Waterfowl Refuge.

There being no objection, it was so ordered.

The question being: "Shall SCR 27 pass the House?" The roll was taken with the following result:

SCR 27
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, SCR 27 passed the House and was signed by the Speaker and Chief Clerk.

CONCUR IN SENATE AMENDMENTS

HB 385

Representative Pruitt moved and asked unanimous consent that the House consider the Senate message (page 2668) on the following:

HOUSE BILL NO. 385

"An Act relating to additional state contributions to the teachers' defined benefit retirement plan and the public employees' defined benefit retirement plan; and providing for an effective date."

and

SENATE CS FOR HOUSE BILL NO. 385(FIN)

"An Act relating to the past service liabilities of the defined benefit plan in the teachers' retirement system and the defined benefit plan in the public employees' retirement system, and to excess assets of those plans on termination of the plans; and providing for an effective date."

(SCR 28 - title change resolution)

There being no objection, it was so ordered.

Representative Pruitt moved that the House concur in the Senate amendment to HB 385, thus adopting SCS HB 385(FIN), and recommended that the members vote yes.

The question being: "Shall the House concur in the Senate amendment to HB 385?" The roll was taken with the following result:

SCS HB 385(FIN)

Concur

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, the House concurred in the Senate amendment.

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.

The Chief Clerk notified the Senate.

SCS HB 385(FIN) was referred to the Chief Clerk for enrollment.

SPECIAL ORDER OF BUSINESS

SCR 28

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

SENATE CONCURRENT RESOLUTION NO. 28

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning House Bill No. 385,

relating to additional state contributions to the teachers' defined benefit retirement plan and the public employees' defined benefit retirement plan.

There being no objection, it was so ordered.

The question being: "Shall SCR 28 pass the House?" The roll was taken with the following result:

SCR 28
Special Order of Business

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

Yeas: 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

Absent: Austerman, Millett

And so, SCR 28 passed the House and was signed by the Speaker and Chief Clerk.

UNFINISHED BUSINESS

HB 266

Representative Pruitt moved and asked unanimous consent that the House consider the Conference Committee with limited powers of free conference report (page 2671) on CSHB 266(FIN) and SCS CSHB 266(FIN). There being no objection, it was so ordered.

Representatives LeDoux, Herron, and Pruitt 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.

Representative Pruitt moved that the House adopt the Conference Committee with limited powers of free conference report, thus adopting the following, and recommended that the members vote yes:

CONFERENCE CS FOR HOUSE BILL NO. 266

"An Act making appropriations for the operating and loan program expenses of state government and for certain programs, capitalizing funds, and making reappropriations; and providing for an effective date."

The question being: "Shall the House adopt the report?" The roll was taken with the following result:

CCS HB 266

Adopt

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, the House adopted CCS HB 266.

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.

The Chief Clerk notified the Senate.

CCS HB 266 was referred to the Chief Clerk for engrossment and enrollment.

HB 267

Representative Pruitt moved and asked unanimous consent that the House consider the Conference Committee with limited powers of free conference report (page 2672) on CSHB 267(FIN) and SCS CSHB 267(FIN). There being no objection, it was so ordered.

Representative Pruitt moved that the House adopt the Conference Committee with limited powers of free conference report, thus adopting the following, and recommended that the members vote yes:

CONFERENCE CS FOR HOUSE BILL NO. 267

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

The question being: "Shall the House adopt the report?" The roll was taken with the following result:

CCS HB 267

Adopt

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, the House adopted CCS HB 267.

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.

The Chief Clerk notified the Senate.

CCS HB 267 was referred to the Chief Clerk for engrossment and enrollment.

CONSIDERATION OF THE DAILY CALENDAR**SECOND READING OF SENATE BILLS****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."

THIRD READING OF SENATE BILLS

SB 138

The following, which was advanced to third reading from the April 19, 2014, calendar (page 2653), was read the third time:

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."

Representative Nageak moved and asked unanimous consent that HCS CSSB 138(FIN) be returned to second reading for the specific purpose of considering Amendment No. 8. There being no objection, it was so ordered.

Amendment No. 8 was offered by Representative Nageak:

Page 1, line 1, following "Act" (title amendment):

Insert "**relating to the limitation on the value of property taxable by a municipality;**"

Page 3, following line 1:

Insert new bill sections to read:

"* **Section 1.** AS 29.45.080(c) is amended to read:

(c) A municipality may levy and collect a tax on the full and true value of that portion of taxable property taxable under AS 43.56 as assessed by the Department of Revenue which value, when combined with the value of property otherwise taxable by the municipality, does not exceed the product of **the percentage determined in (f) of this section** [225 PERCENT] of the average per capita assessed full and true value of property in the state multiplied by the number of residents of the taxing municipality.

* **Sec. 2.** AS 29.45.080(d) is amended to read:

(d) **Each** [BY FEBRUARY 1 OF EACH] assessment year, a

taxing municipality shall inform the Department of Revenue, **by**
(1) February 1, which method of taxation the
municipality will use; **and**

(2) May 1, the

**(A) total value of the municipality's locally
assessed property tax base; and**

**(B) payment amount for the principal of and
interest on bonds that the municipality intends to apply in
its mill rate calculation for the fiscal year corresponding to
the tax year for which the assessment method selected by
the municipality under this section will apply.**

* **Sec. 3.** AS 29.45.080 is amended by adding a new subsection to
read:

(f) The percentage in (c) of this section is based on the total
tax rate established by the municipality and levied each year under
AS 43.56.010(b) and is as follows:

If the tax rate determined under AS 43.56.010(b) is:

The percentage is:

Not more than 18.0 mills	375 percent
More than 18.0 mills but not more than 19.0 mills	300 percent
More than 19.0 mills	225 percent

* **Sec. 4.** AS 29.45.090(b) is amended to read:

(b) A municipality, or combination of municipalities
occupying the same geographical area, in whole or in part, may
not levy taxes

(1) that will result in tax revenues from all sources
exceeding \$1,500 a year for each person residing within the
municipal boundaries; or

(2) **on** [UPON] value that, when combined with the value
of property otherwise taxable by the municipality, exceeds the
product of **the percentage determined in (e) of this section** [225
PERCENT] of the average per capita assessed full and true value
of property in the state multiplied by the number of residents of
the taxing municipality.

* **Sec. 5.** AS 29.45.090(c) is amended to read:

(c) The commissioner shall apportion the lawful levy and
equitably divide the tax revenues on the basis of need, services
performed, and other considerations in the public interest if two or
more municipalities occupying the same geographical area, in
whole or in part, attempt to levy a tax

(1) the combined levy of which would result in tax

revenues from all sources exceeding \$1,500 a year for each person residing within the municipal boundaries; or

(2) **on** [UPON] value that, when combined with the value of property otherwise taxable by the municipality, exceeds the product of **the percentage determined in (e) of this section** [225 PERCENT] of the average per capita assessed full and true value of property in the state multiplied by the number of residents of the taxing municipality.

* **Sec. 6.** AS 29.45.090 is amended by adding a new subsection to read:

(e) The percentage in (b) and (c) of this section is based on the total tax rate established by the municipality and levied each year under AS 43.56.010(b) and is as follows:

If the tax rate determined under AS 43.56.010(b) is:

	The percentage is:
Not more than 18.0 mills	375 percent
More than 18.0 mills but not more than 19.0 mill	300 percent
More than 19.0 mills	225 percent"

Page 3, line 2:

Delete "**Section 1**"

Insert "**Sec. 7**"

Renumber the following bill sections accordingly.

Page 15, line 26:

Delete "sec. 18"

Insert "sec. 24"

Page 23, line 23:

Delete "sec. 31"

Insert "sec. 37"

Page 27, line 16:

Delete "sec. 34"

Insert "sec. 40"

Page 35, line 23:

Delete "sec. 42"

Insert "sec. 48"

Page 57, following line 19:

Insert a new bill section to read:

*** Sec. 66.** AS 43.56.010(c) is amended to read:

(c) If the total value of assessed property of a municipality taxing under AS 29.45.080(c) exceeds the product of **the percentage, as determined in AS 29.45.080(f)**, [225 PERCENT] of the average per capita assessed full and true value of property in the state, to be determined by the department and reported to each municipality by January 15 of each year, multiplied by the number of residents of the taxing municipality, the department shall designate the portion of the tax base against which the local tax may be applied."

Page 62, line 13:

Delete "sec. 27"

Insert "sec. 33"

Page 63, line 16:

Delete "sec. 27"

Insert "sec. 33"

Page 64, line 22:

Delete "sec. 27"

Insert "sec. 33"

Page 64, line 27:

Delete "sec. 18"

Insert "sec. 24"

Page 64, line 29:

Delete "sec. 18"

Insert "sec. 24"

Page 66, following line 27:

Insert a new bill section to read:

*** Sec. 78.** The uncodified law of the State of Alaska is amended by adding a new section to read:

APPLICABILITY. Sections 1 - 6 and 66 apply to tax years beginning after December 31, 2014."

Renumber the following bill sections accordingly.

Page 67, line 3:

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

Insert "Sections 7 - 24, 27, 33 - 37, 39, 40, 48, 50, 67 - 77, and 79"

Page 67, following line 4:

Insert a new bill section to read:

"* **Sec. 81.** Sections 1 - 6, 66, and 78 take effect July 1, 2014."

Renumber the following bill sections accordingly.

Page 67, line 5:

Delete "Section 43"

Insert "Section 49"

Page 67, line 6:

Delete "sec. 72 and 73"

Insert "secs. 80 - 82"

Representative Nageak moved and asked unanimous consent that Amendment No. 8 be adopted.

Objection was heard and withdrawn.

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.

There being no further objection, Amendment No. 8 was adopted, and the new title follows:

HOUSE CS FOR CS FOR SENATE BILL NO. 138(FIN) am H
"An Act relating to the limitation on the value of property taxable by a municipality; 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."

Representatives Hawker, Tuck, Reinbold, and Feige 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.

Representative Johnson moved and asked unanimous consent that no members be excused from voting because of a conflict of interest. There being no objection, it was so ordered.

The question being: "Shall HCS CSSB 138(FIN) am H pass the House?" The roll was taken with the following result:

HCS CSSB 138(FIN) am H

Third Reading

Final Passage

YEAS: 36 NAYS: 4 EXCUSED: 0 ABSENT: 0

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

Nays: Guttenberg, Kawasaki, Kito III, Tuck

And so, HCS CSSB 138(FIN) am H 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 Pruitt moved and asked unanimous consent that the House adopt the House Finance Committee letter of intent (page 2605). There being no objection, it was so ordered.

Engrossment of HCS CSSB 138(FIN) am H was waived (page 2673). It was signed by the Speaker and Chief Clerk and transmitted with a House letter of intent to the Senate with copies of certified amendments attached.

The House advanced to:

SECOND READING OF HOUSE RESOLUTIONS**HCR 28**

The following, which was held to today's calendar (page 2659), was before the House:

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.

The question being: "Shall HCR 28 pass the House?" The roll was taken with the following result:

HCR 28

Second 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, HCR 28 passed the House and was referred to the Chief Clerk for engrossment.

UNFINISHED BUSINESS

SB 71

Representative Millett moved and asked unanimous consent that the House rescind previous action in passing (page 2657):

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."

There being no objection, it was so ordered.

Representative Millett moved and asked unanimous consent that HCS CSSB 71(FIN) be returned to second reading for the specific purpose of considering Amendment No. 1. There being no objection, it was so ordered.

Amendment No. 1 was offered by Representative Austerman:

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

Insert "**relating to a product development tax credit for certain salmon and herring products; providing for an effective date by amending the effective date of sec. 3, ch. 57, SLA 2003;**"

Page 2, following line 18:

Insert new bill sections to read:

**** Sec. 3.** AS 43.75.035(a) is amended to read:

(a) A taxpayer that is a fisheries business may claim a [SALMON] product development tax credit of 50 percent of qualified investment in new property first placed into service in a shore-based plant or on a vessel in the state in the tax year.

*** Sec. 4.** AS 43.75.035(b) is amended to read:

(b) The amount of the tax credit applied against taxes under this section may not

(1) exceed 50 percent of the taxpayer's tax liability incurred under this chapter for processing of salmon **and herring** during the tax year; or

(2) be claimed for property first placed into service after December 31, **2020** [2015].

*** Sec. 5.** AS 43.75.035(c) is amended to read:

(c) If the property for which a tax credit is claimed is installed on a vessel, the amount of qualified investment under (a) of this section is determined by multiplying the investment cost of the qualified investment property by a fraction, the numerator of which is the weight of raw salmon **or raw herring** processed on the vessel by the taxpayer in the state in the tax year in which the property is first placed into service, and the denominator of which is the weight of raw salmon **or raw herring** processed on the vessel by the taxpayer in and outside of the state in the tax year in which the property is first placed into service.

*** Sec. 6.** AS 43.75.035(d) is amended to read:

(d) An unused credit under this section may be carried forward and applied against the tax liability incurred on salmon **and herring** in the following three tax years.

*** Sec. 7.** AS 43.75.035(g) is amended to read:

(g) If, during a tax year, property for which a credit was claimed under this section is disposed of by the taxpayer, ceases to be qualified investment property, or is removed from service in the state, the tax due under this chapter is increased by the recapture percentage of the aggregate decrease in the credit

allowed under this section for all prior tax years that would have resulted solely from reducing to zero the credit allowed for the qualified investment property under this section. The amount of tax credit attributable to the qualified investment that is carried forward from prior tax years is terminated as of the first day of the tax year in which the qualified investment property is disposed of by the taxpayer, ceases to be qualified investment property, or is removed from service in the state. For purposes of this subsection,

(1) the recapture percentage during the year in which the property is first placed into service or during the first year following the year in which the property is first placed into service is 100 percent;

(2) the recapture percentage during the second year following the year in which the property is first placed into service is 75 percent;

(3) the recapture percentage during the third year following the year in which the property is first placed into service is 50 percent;

(4) the recapture percentage during the fourth or subsequent year following the year in which the property is first placed into service is zero percent;

(5) qualified investment property used on a vessel is considered to have been removed from the state on the first day of a tax year in which the proportion of raw salmon **or raw herring** processed in the state on the vessel is less than 50 percent of total weight of raw salmon **or raw herring** processed on the vessel in and outside of the state.

* **Sec. 8.** AS 43.75.035(i) is amended to read:

(i) The department shall develop and implement procedures by which a taxpayer that is a fisheries business may submit the taxpayer's proposed investment to the department and request a preliminary determination of whether the investment qualifies for the [SALMON] product development tax credit under this section. A preliminary determination by the department that the taxpayer's submission qualifies for the credit is binding, unless the department determines that the taxpayer has made a material misrepresentation in the taxpayer's submission.

* **Sec. 9.** AS 43.75.035(j)(3) is amended to read:

(3) "qualified investment" means the investment cost **to purchase or convert** [IN] depreciable tangible personal property with a useful life of three years or more to be used predominantly

to perform an ice making, processing, packaging, or product finishing function that is a significant component in producing value-added salmon **or herring** products, **including canned salmon products in can sizes other than 14.75 ounces or 7.5 ounces** [BEYOND GUTTING OF THE SALMON]; in this paragraph, "property"

(A) includes

(i) **equipment used to fillet, skin, portion, mince, form, extrude, stuff, inject, mix, marinate, preserve, dry, smoke, brine, package, freeze, scale, grind, separate meat from bone, or remove pin bones** [FILLETING, SKINNING, PORTIONING, MINCING, FORMING, EXTRUDING, STUFFING, INJECTING, MIXING, MARINATING, PRESERVING, DRYING, SMOKING, BRINING, PACKAGING, BLAST FREEZING, OR PIN BONE REMOVAL EQUIPMENT];

(ii) new parts **necessary for, or costs associated with, converting a canned salmon line to produce can sizes other than 14.75 ounces or 7.5 ounces** [TO CONVERT AN EXISTING CAN SEAMER TO POP-TOP CAN PRODUCTION];

(iii) conveyors used specifically in the act of producing a value-added salmon **or herring** product; [AND]

(iv) ice making machines;

(v) **new canning equipment for herring products; and**

(vi) **equipment used to transform salmon or herring byproduct that is discarded as waste into saleable product;**

(B) does not include

(i) vehicles, forklifts, conveyors not used specifically in the act of producing a value-added salmon **or herring** product, cranes, pumps, or other equipment used to transport salmon **or herring**, or salmon **or herring** products, knives, gloves, tools, supplies and materials, equipment, other than ice making machines, that is not processing, packaging, or product finishing equipment, or other equipment, the use of which is incidental to the production, packaging, or finishing of

value-added salmon **or herring** products; [OR]

(ii) the overhaul, retooling, or modification of new or existing property, except for new parts **necessary for, or costs associated with, converting a canned salmon line to produce can sizes other than 14.75 ounces or 7.5 ounces; or**

(iii) property used predominantly to produce a salmon or herring product that is not taxed under this chapter [TO CONVERT AN EXISTING CAN SEAMER TO POP-TOP CAN PRODUCTION];

* **Sec. 10.** AS 43.75.035(j)(6) is amended to read:

(6) "value-added salmon **or herring** product" means the product of a salmon **or herring** that is processed beyond heading, gutting, or separation in a manner that [MATERIALLY] enhances the value **or quality** of the salmon **or herring** product, such as shelf-stable, retort pouched, smoked, pickled, or filleted salmon, ikura, leather, [OR] jerky, **or a saleable product made from waste byproduct of salmon or herring**; "value-added salmon **or herring** product" does not include a salmon **or herring** or salmon **or herring** product that

(A) has been subjected to only one or more of heading, gutting, freezing, **or** packaging [, QUALITY ASSURANCE PRACTICES, OR VALUE RETENTION PRACTICES];

(B) is salmon skeins or other unprocessed salmon **or unprocessed herring** products whether fresh or frozen; **or**

(C) [IS CANNED, EXCEPT FOR SALMON PRODUCTS IN A POP-TOP CAN; OR

(D)] is produced out of the state."

Renumber the following bill sections accordingly.

Page 4, line 2:

Delete "secs. 3 - 5"

Insert "secs. 11 - 13"

Page 4, line 3:

Delete "sec. 5"

Insert "sec. 13"

Page 4, line 8:

Delete "Sections 3 - 5"

Insert "Sections 11 - 13"

Page 4, following line 8:

Insert a new bill section to read:

"* **Sec. 16.** Section 7, ch. 57, SLA 2003, as amended by sec. 4, ch. 3, SLA 2006, sec. 4, ch. 8, SLA 2008, and sec. 3, ch. 102, SLA 2010, is amended to read:

Sec. 7. Section 3, ch. 57, SLA 2003, takes effect on the earlier of the following:

(1) January 1, **2021** [2019]; or
(2) the date of the attorney general's notification to the lieutenant governor and to the revisor of statutes that

(A) a court has entered final judgment that AS 43.75.035 or 43.75.036, added by sec. 1, ch. 57, SLA 2003, violates the commerce clause contained in art. I, sec. 8, United States Constitution; and

(B) the time for an appeal of that judgment has expired, or, if an appeal was taken, a final order on the appeal has been entered that AS 43.75.035 or 43.75.036, added by sec. 1, ch. 57, SLA 2003, violates the commerce clause contained in the United States Constitution."

ReNUMBER the following bill section accordingly.

Representative Austerman moved and asked unanimous consent that Amendment No. 1 be adopted. There being no objection, Amendment No. 1 was adopted, and the new title follows:

HOUSE CS FOR CS FOR SENATE BILL NO. 71(FIN) am H
"An Act relating to the fishery resource landing tax and cost recovery fisheries; relating to a product development tax credit for certain salmon and herring products; providing for an effective date by amending the effective date of sec. 3, ch. 57, SLA 2003; and providing for an effective date."

HOUSE CS FOR CS FOR SENATE BILL NO. 71(FIN) am H was read the third time.

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

HCS CSSB 71(FIN) am H

Third Reading

Final Passage

YEAS: 36 NAYS: 0 EXCUSED: 0 ABSENT: 4

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

Absent: Isaacson, Johnson, Stoltze, Tarr

And so, HCS CSSB 71(FIN) am H 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.

Engrossment of HCS CSSB 71(FIN) am H was waived (page 2673). It was signed by the Speaker and Chief Clerk and transmitted to the Senate with copies of certified amendments attached.

THIRD READING OF SENATE BILLS

(continued)

SB 218

The following, which was advanced to third reading from the April 19, 2014, calendar (page 2659), was read the third time:

HOUSE CS FOR 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."

The question being: "Shall HCS CSSB 218(FIN) pass the House?"
The roll was taken with the following result:

HCS CSSB 218(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, Saddler, Seaton, Stoltze, Tarr, Thompson, Tuck, P.Wilson, T.Wilson

Absent: Reinbold

And so, HCS CSSB 218(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 218(FIN) was referred to the Chief Clerk for engrossment.

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 – Erik Bjornsen

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

Honoring – Nuru Cole

By Representatives Pruitt, 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, Reinbold, Saddler, Seaton, Stoltze, Tarr, Thompson, Tuck, P. Wilson, T. Wilson; Senator Fairclough

Honoring – Representative Alan David Austerman

By Senator Stevens; Representatives 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

Honoring – Selina Duncan Metoyer

By Senator Wielechowski; Representatives 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, Tarr, Thompson, Tuck, P. Wilson, T. Wilson

In Memoriam – Representative Niilo Koponen

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

In Memoriam – Judge James A. von der Heydt

By Representatives Gruenberg, LeDoux, Chenault, Costello, Drummond, Edgmon, Feige, Foster, Gara, Gattis, 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, Tarr, Thompson, Tuck, P. Wilson, T. Wilson

In Memoriam – Marcell Jackson, M.D.

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

SPECIAL ORDER OF BUSINESS

Representative Pruitt moved and asked unanimous consent that the notice and publication requirements be waived and the citations, Honoring – Rene Haag and In Memoriam – Sue F. Foley, be taken up as a Special Order of Business. There being no objection, it was so ordered.

Representative Pruitt moved and asked unanimous consent that the House approve the citations. There being no objection, the following citations were approved and sent to enrolling:

Honoring – Rene Haag

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

In Memoriam – Sue F. Foley

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

CONSIDERATION OF THE FIRST SUPPLEMENTAL CALENDAR

Representative Pruitt moved and asked unanimous consent that the House adopt the following First Supplemental Calendar:

- SB 108 CONFIDENTIALITY OF CRIMINAL CASE RECORDS
- SB 171 MULTIDISCIPLINARY CHILD PROTECTION TEAMS
- SB 214 PORTABLE ELECTRONICS INSURANCE ADJUSTERS
- SJR 23 CONST. AM: STUDENT LOAN DEBT

There being no objection, it was so ordered.

SECOND READING OF SENATE BILLS

SB 108

The following, which is on today's first supplemental 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 171

The following, which is on today's first supplemental calendar, was read the second time:

CS FOR SENATE BILL NO. 171(JUD)

"An Act relating to multidisciplinary child protection teams; and relating to investigation of child abuse or neglect."

with the:

Journal Page

JUD RPT HCS(JUD) 5DP 2NR	2170
FN1: ZERO(DHS)	2170
FN2: ZERO(LAW)	2170
FN3: ZERO(ADM)	2170
JUD RPT HCS(2D JUD) 4DP 1NR	2398
FN1: ZERO(DHS)	2399
FN2: ZERO(LAW)	2399
FN3: ZERO(ADM)	2399

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. 171(2d JUD)
(same title)

There being no objection, it was so ordered.

Representative Pruitt moved and asked unanimous consent that HCS CSSB 171(2d JUD) be considered engrossed, advanced to third reading, and placed on final passage. There being no objection, it was so ordered.

HCS CSSB 171(2d JUD) was read the third time.

The question being: "Shall HCS CSSB 171(2d JUD) pass the House?"
The roll was taken with the following result:

HCS CSSB 171(2d JUD)

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, Josephson, Kawasaki, Keller, Kito III, Kreiss-Tomkins, Lynn, Millett, Munoz, Nageak, Neuman, Olson, Pruitt, Reinbold, Saddler, Seaton, Stoltze, Tarr, Thompson, Tuck, P.Wilson, T.Wilson

Absent: Johnson, LeDoux

And so, HCS CSSB 171(2d JUD) passed the House and was referred to the Chief Clerk for engrossment.

SB 214

The following, which is on today's first supplemental calendar, was read the second time:

CS FOR SENATE BILL NO. 214(L&C) am

"An Act relating to independent portable electronics adjuster licensing."

with the:

Journal Page

L&C RPT 1DP 4NR

2535

FN1: ZERO(CED)

2535

Representative Pruitt moved and asked unanimous consent that CSSB 214(L&C) am be considered engrossed, advanced to third reading, and placed on final passage. There being no objection, it was so ordered.

CSSB 214(L&C) am was read the third time.

The question being: "Shall CSSB 214(L&C) am pass the House?"
The roll was taken with the following result:

CSSB 214(L&C) am
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, Josephson, Kawasaki, Keller, Kito III, Kreiss-Tomkins, Lynn, Millett, Munoz, Nageak, Neuman, Olson, Pruitt, Reinbold, Saddler, Seaton, Stoltze, Tarr, Thompson, Tuck, P.Wilson, T.Wilson

Absent: Johnson, LeDoux

And so, CSSB 214(L&C) am passed the House and was signed by the Speaker and Chief Clerk.

SECOND READING OF SENATE RESOLUTIONS

SJR 23

The following, which is on today's first supplemental calendar, was read the second time:

SENATE JOINT RESOLUTION NO. 23

Proposing an amendment to the Constitution of the State of Alaska relating to contracting state debt for postsecondary student loans.

with the:

Journal Page

JUD RPT 3DP 1NR

2499

FN1: (GOV)

2499

FN2: ZERO(LEG)	2499
FIN RPT 11DP	2586
FN1: (GOV)	2586

Representative Pruitt moved and asked unanimous consent that SJR 23 be considered engrossed, advanced to third reading, and placed on final passage. There being no objection, it was so ordered.

SJR 23 was read the third time.

The Speaker stated that, without objection, SJR 23 would be moved to the bottom of the calendar.

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

REPORTS OF STANDING COMMITTEES

SB 108

The Finance Committee considered:

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."

and recommends it be replaced with:

HOUSE CS FOR CS FOR SENATE BILL NO. 108(FIN)
(same title)

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

Do pass (4): Thompson, T. Wilson, Munoz, Gara

Do not pass (2): Guttenberg, Holmes

No recommendation (5): Neuman, Edgmon, Costello, Stoltze, Austerman

The following fiscal note(s) apply to HCS CSSB 108(FIN):

2. Zero, Dept. of Administration
3. Zero, Dept. of Administration
5. Fiscal, Alaska Court System
6. Zero, Dept. of Health & Social Services
7. Zero, Dept. of Law

CSSB 108(JUD) is on today's first supplemental calendar.

RECONSIDERATION

SB 129

Representative Pruitt brought up reconsideration of the vote on CSSB 129(FIN) (page 2590).

The following was before the House in third reading:

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."

The question to be reconsidered: "Shall CSSB 129(FIN) pass the House?" The roll was taken with the following result:

CSSB 129(FIN)

Third Reading

Final Passage

Reconsideration

YEAS: 37 NAYS: 0 EXCUSED: 0 ABSENT: 3

Yeas: Austerman, Chenault, 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, Thompson, Tuck, T.Wilson

Absent: Costello, Tarr, P.Wilson

And so, CSSB 129(FIN) passed the House on reconsideration.

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.

CSSB 129(FIN) was signed by the Speaker and Chief Clerk and returned to the Senate.

SB 195

Representative Pruitt brought up reconsideration of the vote on HCS CSSB 195(FIN) (page 2636).

The following was before the House in third reading:

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."

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

HCS CSSB 195(FIN)

Third Reading

Final Passage

Reconsideration

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

Yeas: Austerman, Chenault, 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, T.Wilson

Absent: Costello, P.Wilson

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

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 195(FIN) was referred to the Chief Clerk for engrossment.

The Speaker stated that, without objection, the House would recess until 10:00 p.m.; and so, the House recessed at 9:36 p.m.

AFTER RECESS

The Speaker called the House back to order at 10:47 p.m.

RECONSIDERATION

SB 157

Representative Pruitt brought up reconsideration of the vote on HCS SB 157(CRA) (page 2638).

The following was before the House in third reading:

HOUSE CS FOR SENATE BILL NO. 157(CRA)

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

Representative Feige moved and asked unanimous consent that HCS SB 157(CRA) be returned to second reading for the specific purpose of considering Amendment No. 1. There being no objection, it was so ordered.

Amendment No. 1 was offered by Representative Feige:

Page 1, line 1, following "Act" (title amendment):

Insert "**exempting solicitations or voluntary agreements to provide ambulance, emergency, or fire department services from regulation as insurance;**"

Page 1, following line 2:

Insert a new bill section to read:

"* **Section 1.** AS 21.03.021 is amended by adding a new subsection to read:

(h) This title does not apply to the solicitation of an agreement, or an agreement between a prospective recipient of ambulance, emergency, or fire protection services and a municipality or community-based nonprofit that provides ambulance, emergency, or fire protection services."

Page 1, line 3:

Delete "**Section 1**"

Insert "**Sec. 2**"

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

Objection was heard and withdrawn. There being no further objection, Amendment No. 1 was adopted, and the new title follows:

HOUSE CS FOR SENATE BILL NO. 157(CRA) am H

"An Act exempting solicitations or voluntary agreements to provide ambulance, emergency, or fire department services from regulation as insurance; relating to municipal fire protection service area boundary changes."

The question to be reconsidered: "Shall HCS SB 157(CRA) am H pass the House?" The roll was taken with the following result:

HCS SB 157(CRA) am H

Third Reading

Final Passage

Reconsideration

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, Josephson, Kawasaki, Keller, Kito III, Kreiss-Tomkins, LeDoux, Lynn, Millett, Munoz, Nageak, Neuman, Olson, Pruitt, Reinbold, Saddler, Seaton, Tarr, Thompson, Tuck, P.Wilson, T.Wilson

Absent: Johnson, Stoltze

And so, HCS SB 157(CRA) am H passed the House on reconsideration and was referred to the Chief Clerk for engrossment.

SPECIAL ORDER OF BUSINESS**HCR 32**

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

HOUSE CONCURRENT RESOLUTION NO. 32

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning Senate Bill No. 157, relating to municipal fire protection service area boundary changes.

There being no objection, it was so ordered.

The question being: "Shall HCR 32 pass the House?" The roll was taken with the following result:

HCR 32

Special Order of Business

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, Josephson, Kawasaki, Keller, Kito III, Kreiss-Tomkins, LeDoux, Lynn, Millett, Munoz, Nageak, Neuman, Olson, Pruitt, Reinbold, Saddler, Seaton, Tarr, Thompson, Tuck, P.Wilson, T.Wilson

Absent: Johnson, Stoltze

And so, HCR 32 passed the House and was referred to the Chief Clerk for engrossment.

**CONSIDERATION OF THE SECOND SUPPLEMENTAL
CALENDAR**

Representative Pruitt moved and asked unanimous consent that the House adopt the following Second Supplemental Calendar:

HOUSE JOURNAL

2708

April 20, 2014

SB 194 TOURISM MARKETING BOARD
SB 140 AIDEA: ARCTIC DEVELOPMENT
PROGRAM/FUND
SB 64 OMNIBUS CRIME/CORRECTIONS/RECIDIVISM
BILL
HCR 27 SUSPEND UNIFORM RULES FOR SB 64

There being no objection, it was so ordered.

SECOND READING OF SENATE BILLS

SB 194

The following, which is on today's second supplemental calendar, was read the second time:

CS FOR SENATE BILL NO. 194(FIN)
"An Act creating the Alaska Tourism Marketing Board; and relating to tourism marketing."

with the:	Journal Page
L&C RPT HCS(L&C) 2DP 3NR 1AM	2450
FN1: ZERO(S.FIN/CED)	2451
FN2: INDETERMINATE(LEG)	2451
FN3: (CED)	2451
FIN RPT HCS(L&C) 11DP	2586
FN2: INDETERMINATE(LEG)	2587
FN4: ZERO(H.FIN/CED)	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. 194(L&C)
(same title)

There being no objection, it was so ordered.

Representative Pruitt moved and asked unanimous consent that HCS CSSB 194(L&C) be considered engrossed, advanced to third reading, and placed on final passage. There being no objection, it was so ordered.

HCS CSSB 194(L&C) 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 HCS CSSB 194(L&C) pass the House?"
The roll was taken with the following result:

HCS CSSB 194(L&C)

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, Saddler, Seaton, Stoltze, Tarr, Thompson, Tuck, P.Wilson, T.Wilson

Absent: Reinbold

And so, HCS CSSB 194(L&C) passed the House and was referred to the Chief Clerk for engrossment.

SB 140

The Speaker stated that, without objection, the following, which is on today's second supplemental calendar, would be moved to the bottom of the calendar:

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."

SB 64

The following, which is on today's second supplemental calendar, was read the second time:

CS FOR SENATE BILL NO. 64(FIN)

"An Act relating to theft and property offenses; relating to the definition of 'prior convictions' for certain theft offenses;

establishing the Alaska Criminal Justice Commission and providing an expiration date; relating to the crime of custodial interference; relating to the duties of the Alaska Judicial Council; relating to jail-time credit for offenders in court-ordered treatment programs; relating to conditions of release, probation, and parole; relating to duties of the commissioner of corrections and board of parole; establishing a fund for reducing recidivism in the Department of Health and Social Services; requiring the commissioner of health and social services to establish programs for persons on conditions of release or probation that require testing for controlled substances and alcoholic beverages; requiring the board of parole to establish programs for persons on parole that require testing for controlled substances and alcoholic beverages; relating to the duties of the Department of Health and Social Services; and providing for an effective date."

with the:	Journal Page
JUD RPT HCS(JUD) NT 3DP 1NR 1AM	2328
FN8: ZERO(ADM)	2330
FN9: ZERO(ADM)	2330
FN10: ZERO(ADM)	2330
FN13: ZERO(GOV)	2330
FN14: (S.FIN/DHS)	2330
FN15: (S.FIN/DHS)	2330
FN16: (S.FIN/COR)	2330
FN17: (COR)	2330
FN18: (CRT)	2330
FN19: ZERO(CRT)	2330
FN20: ZERO(LAW)	2330
FIN RPT HCS(FIN) NT 6DP 5NR	2670
FN8: ZERO(ADM)	2671
FN10: ZERO(ADM)	2671
FN13: ZERO(GOV)	2671
FN14: (S.FIN/DHS)	2671
FN16: (S.FIN/COR)	2671
FN21: ZERO(CRT)	2671
FN22: INDETERMINATE(LAW)	2671
FN23: (CRT)	2671
FN24: (COR)	2671
FN25: (S.FIN/DHS)	2671

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. 64(FIN)

"An Act relating to theft and property offenses; relating to the definition of 'prior convictions' for certain theft offenses; establishing the Alaska Criminal Justice Commission and providing an expiration date; relating to electronic monitoring for certain persons convicted of driving while under the influence; relating to the crime of custodial interference; relating to the duties of the Alaska Judicial Council; relating to jail-time credit for offenders in court-ordered treatment programs; relating to conditions of release, probation, and parole; relating to a mitigating factor for a person suffering from combat-related post-traumatic stress disorder or combat-related traumatic brain injury; relating to duties of the commissioner of corrections and board of parole; establishing a program for reducing recidivism in the Department of Health and Social Services; requiring the commissioner of health and social services to establish programs for persons on conditions of release or probation that require testing for controlled substances and alcoholic beverages; requiring the board of parole to establish programs for persons on parole that require testing for controlled substances and alcoholic beverages; relating to the duties of the Department of Health and Social Services; and providing for an effective date."

(HCR - 27 title change resolution)

There being no objection, it was so ordered.

Amendment No. 1 was offered by Representative Millett:

Page 22, following line 3:

Insert a new paragraph to read:

"(9) the chief executive officer of the Alaska Mental Health Trust Authority or the chief executive officer's designee for a three-year term;"

Renumber the following paragraphs accordingly.

Page 22, lines 6 - 7:

Delete all material.

Renumber the following paragraphs accordingly.

Page 22, line 14:

Delete "(a)(9) - (11)"

Insert "(a)(10) and (11)"

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

Objection was heard and withdrawn. There being no further objection, Amendment No. 1 was adopted.

Amendment No. 2 was not offered.

The Speaker stated that the House would stand at ease until 11:45 p.m.; and so, the House stood at ease at 11:20 p.m.

AFTER AT EASE

The Speaker called the House back to order at 1:31 a.m., April 21.

SECOND READING OF SENATE BILLS

(continued)

SB 64

HCS CSSB 64(FIN) am H was before the House in second reading.

Amendment Nos. 3 - 5 were not offered.

Representative Pruitt moved and asked unanimous consent that HCS CSSB 64(FIN) am H be considered engrossed, advanced to third reading, and placed on final passage. There being no objection, it was so ordered.

HCS CSSB 64(FIN) am H was read the third time.

The question being: "Shall HCS CSSB 64(FIN) am H pass the House?" The roll was taken with the following result:

HCS CSSB 64(FIN) am H

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 64(FIN) am H 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.

Engrossment of HCS CSSB 64(FIN) am H was waived (page 2673). It was signed by the Speaker and Chief Clerk.

SECOND READING OF HOUSE RESOLUTIONS

HCR 27

The following, which is on today's second supplemental calendar, was read the second time:

HOUSE CONCURRENT RESOLUTION NO. 27

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning Senate Bill No. 64, relating to theft and property offenses; relating to the definition of "prior convictions" for certain theft offenses; establishing the Alaska Criminal Justice Commission and providing an expiration date; relating to the crime of custodial interference; relating to the duties of the Alaska Judicial Council; relating to jail-time credit for offenders in court-ordered treatment programs; relating to conditions of release, probation, and parole; relating to duties of the commissioner of corrections and board of parole; establishing a fund for reducing recidivism in the Department of Health and Social Services; requiring the commissioner of health and social services to establish programs for persons on conditions of release

or probation that require testing for controlled substances and alcoholic beverages; requiring the board of parole to establish programs for persons on parole that require testing for controlled substances and alcoholic beverages; and relating to the duties of the Department of Health and Social Services.

The question being: "Shall HCR 27 pass the House?" The roll was taken with the following result:

HCR 27
Second 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, HCR 27 passed the House and was referred to the Chief Clerk for engrossment.

SECOND READING OF SENATE BILLS
(continued)

SB 140

The following, which was moved to the bottom of today's second supplemental calendar (page 2709), was read the second time:

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."

with the:	Journal Page
L&C RPT 3DP 3NR	2449
FN1: (CED)	2450

April 20, 2014

2715

FIN RPT HCS(FIN) 10DP 1NR	2654
FN1: (CED)	2655

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. 140(FIN)
(same title)

There being no objection, it was so ordered.

Amendment No. 1 was offered by Representatives Herron, Foster, Nageak, Edgmon, and Guttenberg:

Page 1, line 2, following "**Authority**;" (title amendment):

Delete "**and**"

Page 1, line 3, following "**Authority**" (title amendment):

Insert "**; and authorizing the Alaska Industrial Development and Export Authority to issue bonds to finance the infrastructure and construction costs of the Arctic Fibre and Quintillion Networks fiber optics project**"

Page 4, following line 4:

Insert a new bill section to read:

***Sec. 7. LEGISLATIVE APPROVAL; ARCTIC FIBRE AND QUINTILLION NETWORKS FIBER OPTICS PROJECT.** (a) The Alaska Industrial Development and Export Authority may issue bonds to finance the infrastructure and construction costs of the Arctic Fibre and Quintillion Networks fiber optics project. The cable and associated equipment of the Arctic Fibre and Quintillion Networks fiber optics project shall be owned and operated by the authority or financed under AS 44.88.172. The principal amount of the bonds provided by the Alaska Industrial Development and Export Authority for the Arctic Fibre and Quintillion Networks fiber optics project may not exceed the lesser of \$50,000,000 or 10 percent of the total project finance package as determined through the Alaska Industrial Development and Export Authority's due diligence process, and may include the costs of issuing bonds the Alaska Industrial Development and Export Authority considers reasonable and appropriate.

(b) This section constitutes legislative approval required by AS 44.88.095(g)."

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

Objection was heard and withdrawn.

Representatives Kito III and Holmes 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.

There being no further objection, Amendment No. 1 was adopted, and the new title follows:

HOUSE CS FOR CS FOR SENATE BILL NO. 140(FIN) am H
"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 authorizing the Alaska Industrial Development and Export Authority to issue bonds to finance the infrastructure and construction costs of the Arctic Fibre and Quintillion Networks fiber optics project."

Amendment No. 2 was offered by Representative Herron:

Page 7, following line 26:

Insert a new subsection to read:

"(d) The authority may guarantee a loan under AS 44.88.830 if the loan is made to a business with a majority interest held by state residents."

Page 8, lines 9 - 11:

Delete all material and insert:

"(B) the purchase, construction, improvement, rehabilitation, or expansion of a shore-based plant, facility, equipment, or assets used in support of a fishery in the Arctic."

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

Objection was heard and withdrawn. There being no further objection, Amendment No. 2 was adopted.

Representative Pruitt moved and asked unanimous consent that HCS CSSB 140(FIN) am H be considered engrossed, advanced to third reading, and placed on final passage. There being no objection, it was so ordered.

HCS CSSB 140(FIN) am H was read the third time.

The question being: "Shall HCS CSSB 140(FIN) am H pass the House?" The roll was taken with the following result:

HCS CSSB 140(FIN) am H
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, Tarr, Thompson, Tuck, P.Wilson, T.Wilson

Absent: Stoltze

And so, HCS CSSB 140(FIN) am H passed the House.

Engrossment of HCS CSSB 140(FIN) am H was waived (page 2673). It was signed by the Speaker and Chief Clerk.

SPECIAL ORDER OF BUSINESS

HCR 33

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

HOUSE CONCURRENT RESOLUTION NO. 33

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning Senate Bill No. 140, 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.

There being no objection, it was so ordered.

The question being: "Shall HCR 33 pass the House?" The roll was taken with the following result:

HCR 33

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 33 passed the House and was referred to the Chief Clerk for engrossment.

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

**CONSIDERATION OF THE FIRST SUPPLEMENTAL
CALENDAR**

(continued)

SECOND READING OF SENATE BILLS

(continued)

SB 108

The following, which was on the first supplemental calendar pending a report from the Finance Committee (page 2702), was read the second time:

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."

with the:	Journal Page
JUD RPT 3DP 2NR	2396
FN1: ZERO(LAW)	2396
FN2: ZERO(ADM)	2396
FN3: ZERO(ADM)	2396
FN5: (CRT)	2396
FN6: ZERO(DHS)	2396
FIN RPT HCS(FIN) 4DP 2DNP 5NR	2702
FN2: ZERO(ADM)	2703
FN3: ZERO(ADM)	2703
FN5: (CRT)	2703
FN6: ZERO(DHS)	2703
FN7: ZERO(LAW)	2703

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. 108(FIN)
(same title)

There being no objection, it was so ordered.

Amendment No. 1 was offered by Representative Kawasaki:

Page 2, line 17:

Insert new subsections to read:

"(d) This section does not apply to a person who is or has been a candidate for election to public office.

(e) In this section, "candidate for election to public office" means a person who is or has been a candidate for election to a federal, state, municipal, or tribal executive, legislative, or judicial office created by the constitution or laws of this state or the United States or the laws of a federally recognized tribe."

Page 2, line 20, following "APPLICABILITY":

Insert "(a) Except as provided in (b) of this section,"

Page 2, following line 22:

Insert a new subsection to read:

"(b) AS 22.35.030(d) and (e), enacted by sec. 2 of this Act, apply to a person whose candidacy for election to public office occurred before, on, or after the effective date of this Act."

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

Representative Holmes objected.

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

HCS CSSB 108(FIN)

Second Reading

Amendment No. 1

YEAS: 7 NAYS: 30 EXCUSED: 0 ABSENT: 3

Yeas: Drummond, Gara, Josephson, Kawasaki, Kreiss-Tomkins, LeDoux, Tarr

Nays: Chenault, Costello, Edgmon, Feige, Foster, Gattis, Gruenberg, Guttenberg, Hawker, Herron, Higgins, Holmes, Hughes, Isaacson, Keller, Kito III, Lynn, Millett, Munoz, Nageak, Neuman, Olson, Pruitt, Saddler, Seaton, Stoltze, Thompson, Tuck, P.Wilson, T.Wilson

Absent: Austerman, Johnson, Reinbold

And so, Amendment No. 1 was not adopted.

Representative Pruitt moved and asked unanimous consent that HCS CSSB 108(FIN) be considered engrossed, advanced to third reading, and placed on final passage. There being no objection, it was so ordered.

HCS CSSB 108(FIN) was read the third time.

The question being: "Shall HCS CSSB 108(FIN) pass the House?"
The roll was taken with the following result:

HCS CSSB 108(FIN)
Third Reading
Final Passage

YEAS: 23 NAYS: 16 EXCUSED: 0 ABSENT: 1

Yeas: Costello, Feige, Foster, Gara, Gattis, Gruenberg, Higgins, Hughes, Isaacson, Keller, Kito III, Kreiss-Tomkins, LeDoux, Lynn, Munoz, Nageak, Neuman, Olson, Reinbold, Saddler, Thompson, Tuck, T.Wilson

Nays: Austerman, Chenault, Drummond, Edgmon, Guttenberg, Hawker, Herron, Holmes, Josephson, Kawasaki, Millett, Pruitt, Seaton, Stoltze, Tarr, P.Wilson

Absent: Johnson

And so, HCS CSSB 108(FIN) passed the House.

Representative Pruitt moved the effective date clause.

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

HCS CSSB 108(FIN)
Third Reading
Effective Date

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, 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

Absent: Johnson

And so, the effective date clause was adopted.

HCS CSSB 108(FIN) was referred to the Chief Clerk for engrossment.

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

MESSAGES FROM THE SENATE**HB 75**

A message dated April 20, 2014, was read stating the Senate passed:

CS FOR HOUSE BILL NO. 75(FIN)

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

with the following amendment, and it is transmitted for consideration:

SENATE CS FOR CS FOR HOUSE BILL NO. 75(FIN)

"An Act amending certain audit requirements for entities receiving contributions from permanent fund dividends; requiring the three main campuses of the University of Alaska to apply to be included on the contribution list for contributions from permanent fund dividends; relating to notice provided on the electronic dividend application form; relating to administrative costs for administering the program of contributions from permanent fund dividends; relating to a coordination fee for entities that receive contributions from permanent fund dividends; and requiring the university to pay an application fee for each campus separately listed on the contribution list for contributions from permanent fund dividends."

(SCR 23 - title change resolution)

CSHB 75(FIN) is under Unfinished Business.

HB 140

A message dated April 20, 2014, was read stating the Senate passed CSHB 140(FIN) am with the following amendment, and it is transmitted for consideration:

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

"An Act relating to the proposed adoption, amendment, or repeal of a regulation; and relating to contact with agencies about regulations."

CSHB 140(FIN) am is under Unfinished Business.

HB 206

A message dated April 20, 2014, was read stating the Senate passed CSHB 206(L&C) with the following amendment, and it is transmitted for consideration:

SENATE CS FOR CS FOR HOUSE BILL NO. 206(L&C)

"An Act relating to motor vehicle service contracts; exempting motor vehicle service contracts from regulation as insurance; and providing for an effective date."

CSHB 206(L&C) is under Unfinished Business.

HB 263

A message dated April 20, 2014, was read stating the Senate passed CSHB 263(HSS) with the following amendment, and it is transmitted for consideration:

SENATE CS FOR CS FOR HOUSE BILL NO. 263(FIN)

"An Act extending the Alaska senior benefits payment program."

CSHB 263(HSS) is under Unfinished Business.

HB 287

A message dated April 20, 2014, was read stating the Senate passed:

CS FOR HOUSE BILL NO. 287(RLS) am

"An Act relating to the determination of the royalty received by the state on oil production refined or processed in the state; providing tax credits for qualified infrastructure expenditures for in-state refineries and hydrocarbon processing facilities; 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."

with the following amendment, and it is transmitted for consideration:

SENATE CS FOR CS FOR HOUSE BILL NO. 287(FIN)

"An Act relating to the determination of the royalty received by the state on oil production refined or processed in the state; providing tax credits for qualified infrastructure expenditures for in-state refineries; 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."

(SCR 31 - title change resolution)

CSHB 287(RLS) am is under Unfinished Business.

Messages dated April 20, 2014, were read stating the Senate passed the following, and they are transmitted for consideration:

**FIRST READING AND REFERENCE
OF SENATE RESOLUTIONS**

SCR 23

SENATE CONCURRENT RESOLUTION NO. 23 by the Senate Finance Committee:

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning House Bill No. 75, amending certain audit requirements for entities receiving contributions from permanent fund dividends; requiring the three main campuses of the University of Alaska to apply to be included on the contribution list for contributions from permanent fund dividends; and requiring the university to pay an application fee for each campus separately listed on the contribution list for contributions from permanent fund dividends.

was read the first time.

SCR 31

SENATE CONCURRENT RESOLUTION NO. 31 by the Senate Finance Committee:

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning House Bill No. 287, relating to the determination of the royalty received by the state on oil production refined or processed in the state; providing tax credits for qualified infrastructure expenditures for in-state refineries and hydrocarbon processing facilities; and approving and ratifying the sale of royalty oil by the State of Alaska to Tesoro Corporation and Tesoro Refining and Marketing Company LLC.

was read the first time.

REPORTS OF STANDING COMMITTEES

SB 119

The Finance Committee considered:

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."

and recommends it be replaced with:

HOUSE CS FOR CS FOR SENATE BILL NO. 119(FIN)

"An Act making and amending appropriations, including capital appropriations, supplemental appropriations, reappropriations, and other appropriations; making appropriations to capitalize funds; making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional budget reserve fund; 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 (5): Thompson, Munoz, T. Wilson, Stoltze, Austerman

No recommendation (2): Neuman, Edgmon

Amend (4): Guttenberg, Holmes, Gara, Costello

CSSB 119(FIN) am is on today's calendar.

The House adjourned.

CONSIDERATION OF THE DAILY CALENDAR

SB 119

The following, which is on today's calendar pending referral, was not taken up this legislative day and will be on tomorrow's calendar:

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."

SJR 23

The following, which was moved to the bottom of the first supplemental calendar (page 2702), was not taken up this legislative day and will be on tomorrow's calendar:

SENATE JOINT RESOLUTION NO. 23

Proposing an amendment to the Constitution of the State of Alaska relating to contracting state debt for postsecondary student loans.

UNFINISHED BUSINESS

SJR 23

Representatives Kawasaki and Costello added their names as cross sponsors to:

SENATE JOINT RESOLUTION NO. 23

Proposing an amendment to the Constitution of the State of Alaska relating to contracting state debt for postsecondary student loans.

SB 99

Representative P. Wilson added her name as cross sponsor 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 108

Representatives Isaacson and Keller added their names as cross sponsors to:

HOUSE CS FOR CS FOR SENATE BILL NO. 108(FIN)

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

SB 140

Representatives Herron, Drummond, and LeDoux added their names as cross sponsors to:

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

"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 authorizing the Alaska Industrial Development and Export Authority to issue bonds to finance the infrastructure and construction costs of the Arctic Fibre and Quintillion Networks fiber optics project."

SB 171

Representatives Lynn, Millett, Josephson, and Tarr added their names as cross sponsors to:

HOUSE CS FOR CS FOR SENATE BILL NO. 171(2d JUD)
"An Act relating to multidisciplinary child protection teams; and relating to investigation of child abuse or neglect."

SB 183

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

SENATE BILL NO. 183

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

HCR 31

The following, which was engrossed and signed by the Speaker and Chief Clerk (page 2663), was transmitted to the Senate for consideration:

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.

ENGROSSMENT**HCR 27**

HCR 27 was engrossed and signed by the Speaker and Chief Clerk.

HCR 28

HCR 28 was engrossed, signed by the Speaker and Chief Clerk, and transmitted to the Senate for consideration.

HCR 32

HCR 32 was engrossed, signed by the Speaker and Chief Clerk, and transmitted to the Senate for consideration.

HCR 33

HCR 33 was engrossed and signed by the Speaker and Chief Clerk.

SB 108

HCS CSSB 108(FIN) was engrossed and signed by the Speaker and Chief Clerk.

SB 157

HCS SB 157(CRA) am H was engrossed, signed by the Speaker and Chief Clerk, and transmitted to the Senate for consideration.

SB 171

HCS CSSB 171(2d JUD) was engrossed, signed by the Speaker and Chief Clerk, and transmitted to the Senate for consideration.

SB 194

HCS CSSB 194(L&C) was engrossed and signed by the Speaker and Chief Clerk.

SB 195

HCS CSSB 195(FIN) was engrossed, signed by the Speaker and Chief Clerk, and transmitted to the Senate for consideration.

SB 218

HCS CSSB 218(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 (page 2726) until 2:00 p.m., April 21, 2014. There being no objection, the House adjourned at 4:13 a.m., April 21, 2014.

Suzi Lowell
Chief Clerk