

**SENATE JOURNAL**  
**ALASKA STATE LEGISLATURE**  
**TWENTY-EIGHTH LEGISLATURE**

**SECOND SESSION**

**Juneau, Alaska                      Wednesday                      January 22, 2014**  
**Second Day**

Pursuant to adjournment the Senate was called to order by President Huggins at 11:02 a.m.

The roll showed nineteen members present. Senator Dyson was excused from a call of the Senate.

The prayer was offered by the Chaplain, Reverend Nancy Campbell of the Gospel Outreach Christian Center. Senator Hoffman moved and asked unanimous consent that the prayer be spread. Without objection, it was so ordered.

Dear Heavenly Father,

I pray this day, a new day, with new beginnings, for the Senators. As they chart their path for this session, direct their steps.

Quicken their minds, as they grapple with the issues brought before them and bring solutions. I pray your blessing upon them now as they attend to the business of the day.

In Jesus' name,

Amen.

Senator Bishop led the Senate in the Pledge of Allegiance.

**Certification**

Senator Coghill moved and asked unanimous consent that the journal for the first legislative day be approved as certified by the Secretary. Without objection, it was so ordered.

**Introduction of Guests**

Senator McGuire introduced the following members of the Pacific NorthWest Economic Region (PNWER) Delegation:

Robert Bouchard, MLA for Northwest Territories  
Representative Deborah Boone, Oregon  
Alana DeLong, MLA for Calgary-Bow, Chair of Alberta PNWER Delegate Council  
Colin Smith, Association of Professional Engineers of British Columbia  
Matt Morrison, PNWER Executive Director  
David Kettles, Director, U.S. Relations, International and Intergovernmental Relations, Government of Alberta  
Eddie Rideout, Director, Policy and Planning Yukon Economic Development  
Steve Myers, Project Manager, PNWER

**Communications**

Letter dated September 19, 2013 was received from Dana Fabe, Chief Justice of the Alaska Supreme Court, stating in accordance with Alaska Statute 24.60.130(b)(3) and (e), she has nominated the following public member for appointment to the Select Committee on Legislative Ethics:

Janie Leask

President Huggins referred the nomination to the Judiciary Committee.

Letter dated January 13 was received from Dana Fabe, Chief Justice of the Alaska Supreme Court, stating in accordance with AS 24.60.131(b), she has nominated the following alternate public member for appointment to the Select Committee on Legislative Ethics:

Christena Williams

President Huggins referred the nomination to the Judiciary Committee.

### **Introduction and Reference of Senate Resolutions**

#### **SJR 14**

SENATE JOINT RESOLUTION NO. 14 BY SENATORS  
COGHILL, Kelly, Bishop,

Urging the Secretary of the United States Air Force, the Chief of Staff of the United States Air Force, and the Commander of the Pacific Air Forces to base F-35 aircraft assigned to the Pacific Air Forces at Eielson Air Force Base

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

#### **SJR 15**

SENATE JOINT RESOLUTION NO. 15 BY SENATOR GIESSEL,

Opposing any international designation of Alaska land or water as an international park, world heritage site, biosphere reserve, Ramsar site, or other classification of land or water that affects the use of land or water by the state or an Alaska Native corporation without approval by the United States Congress and the Alaska State Legislature; requesting the United States Department of State and the United States Department of the Interior to cease all further action related to an international

designation for land and water in the state until the action is approved by the United States Congress and the Alaska State Legislature; requesting that the United States Congress pass legislation requiring Congressional approval of any international designation that affects the use of land or water by the state or the United States; requesting that the governor be involved in the process and development of any joint action plan; requesting that the state, including the departments responsible for the management of fish and wildlife and other natural resources, be an integral part of any discussion, agreement, understanding, or other process that affects the use or development of fish and wildlife and other natural resources in the state; and urging the governor and the attorney general to reserve all legal remedies for a taking of the natural resources of the state by an international designation of land and water in the state

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

#### **Introduction and Reference of Senate Bills**

##### **SB 103**

SENATE BILL NO. 103 BY SENATOR GIESSEL, entitled:

"An Act relating to automatic renewals of contracts for home security products or services; and relating to the Alaska Unfair Trade Practices and Consumer Protection Act."

(Prefile released January 10, 2014)

was read the first time and referred to the Labor and Commerce Committee.

**SB 104**

SENATE BILL NO. 104 BY SENATORS DYSON, Fairclough, entitled:

"An Act relating to appropriations from the dividend fund; creating the criminal fund; and providing for an effective date."

(Prefile released January 10, 2014)

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

**SB 105**

SENATE BILL NO. 105 BY SENATOR COGHILL, entitled:

"An Act requiring the state to quitclaim to the federal government land or an interest in land that was wrongfully or erroneously conveyed to the state by the federal government."

(Prefile released January 10, 2014)

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

**SB 106**

SENATE BILL NO. 106 BY SENATOR MEYER, entitled:

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

(Prefile released January 10, 2014)

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

**SB 107**

SENATE BILL NO. 107 BY SENATOR STEVENS, entitled:

"An Act relating to school and school district accountability; relating to the duties of the Department of Education and Early Development;

and establishing a reading program for public school students enrolled in grades kindergarten through three."

(Prefile released January 10, 2014)

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

**SB 108**

SENATE BILL NO. 108 BY SENATOR DYSON, entitled:

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

(Prefile released January 10, 2014)

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

**SB 109**

SENATE BILL NO. 109 BY SENATOR COGHILL, entitled:

"An Act extending the termination date of the Citizens' Advisory Commission on Federal Management Areas in Alaska; and providing for an effective date."

(Prefile released January 10, 2014)

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

**SB 110**

SENATE BILL NO. 110 BY SENATOR DYSON, entitled:

"An Act relating to the authority of the victims' advocate to request a hearing for the release to a crime victim under certain conditions of certain property in the custody of a law enforcement agency."

(Prefile released January 10, 2014)

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

**SB 111**

SENATE BILL NO. 111 BY SENATORS STEVENS, GARDNER, entitled:

"An Act repealing the secondary student competency examination and related requirements; and providing for an effective date."

(Prefile released January 10, 2014)

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

**SB 112**

SENATE BILL NO. 112 BY SENATOR MICCICHE, entitled:

"An Act providing immunity for certain licensed temporary health care providers who provide free health care services."

(Prefile released January 10, 2014)

was read the first time and referred to the Labor and Commerce Committee.

**SB 113**

SENATE BILL NO. 113 BY SENATOR COGHILL, entitled:

"An Act increasing the stipend for boarding school students; and providing for an effective date."

(Prefile released January 10, 2014)

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

**SB 114**

SENATE BILL NO. 114 BY SENATOR FRENCH, entitled:

"An Act establishing a maximum caseload for probation and parole officers."

(Prefile released January 10, 2014)

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

**SB 115**

SENATE BILL NO. 115 BY SENATOR EGAN, entitled:

"An Act relating to the use of headlights when operating a motor vehicle."  
(Prefile released January 10, 2014)

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

**SB 116**

SENATE BILL NO. 116 BY SENATOR EGAN, entitled:

"An Act relating to service of citations; amending Rule 3(f), Alaska Rules of Minor Offense Procedure; repealing Rule 3(g), Alaska Rules of Minor Offense Procedure; and providing for an effective date."  
(Prefile released January 17, 2014)

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

**SB 117**

SENATE BILL NO. 117 BY SENATORS WIELECHOWSKI, GARDNER, ELLIS, French, entitled:

"An Act disapproving all recommendations of the State Officers Compensation Commission relating to the salaries of state officers; and providing for an effective date."  
(Prefile released January 17, 2014)

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

**SB 118**

SENATE BILL NO. 118 BY SENATORS FRENCH, Gardner, Ellis, Wielechowski, entitled:

"An Act repealing the delayed repeal of the Alaska senior benefits payment program; and providing for an effective date."

was read the first time and referred to the Health and Social Services and Finance Committees.



**SB 119**

SENATE BILL NO. 119 BY THE SENATE RULES COMMITTEE  
BY REQUEST OF THE GOVERNOR, entitled:

"An Act making appropriations, including capital appropriations and other appropriations; making appropriations to capitalize funds."

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

Governor's transmittal letter dated January 17:

Dear President Huggins,

Under the authority of Article III, Section 18 of the Alaska Constitution, I am transmitting a bill relating to the State's capital budget for Fiscal Year 2015 (FY 2015). This bill represents my continued commitment to Alaska's constitutional priorities including resource development, public safety, education, transportation, and infrastructure.

Leaving a strong, vibrant Alaska for our children and grandchildren requires living within our means and prioritizing spending for Alaskans' future. The capital budget for FY 2015 focuses on fixing what we have through deferred maintenance and finishing what we have started. It also provides matching funds to leverage federal and local dollars. The budget contains ongoing investments in energy development, roads to resources, water and sewer projects, and school construction.

With a responsible budget plan, and the increased jobs and economic activity being generated by the More Alaska Production Act, our state will continue to be prosperous and full of opportunity. I look forward to working with the Legislature to finalize the capital budget for the upcoming fiscal year.

Thank you for your consideration of this bill.

Sincerely,

/s/

Sean Parnell

Governor

**SB 120**

SENATE BILL NO. 120 BY THE SENATE RULES COMMITTEE  
BY REQUEST OF THE GOVERNOR, entitled:

"An Act making appropriations for the operating and loan program expenses of state government and for certain programs, capitalizing funds, and making reappropriations; making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional budget reserve fund."

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

Governor's transmittal letter dated January 17:

Dear President Huggins,

Under the authority of Article III, Section 18 of the Alaska Constitution, I am transmitting a bill relating to the State's operating budget for Fiscal Year 2015 (FY 2015).

Leaving a strong, vibrant Alaska for our children and grandchildren requires living within our means and prioritizing spending for Alaskans' future. My operating budget for FY 2015 proposes to pay down State debt and significantly reduce State government spending. Even at this reduced level, the budget represents my continued commitment to Alaska's constitutional priorities including resource development, public safety, education, transportation, and infrastructure.

The operating budget also proposes a solution to address Alaska's single largest cost driver – unfunded pension liabilities. I am recommending a transfer of \$3 billion from the Constitutional Budget Reserve fund into the State's retirement trust funds. The effect is to pay down debt, resulting in lower fixed annual payments for the State. Your approval of this plan will significantly reduce our annual operating costs instead of pushing it off to future generations.

With a responsible budget plan, and the increased jobs and economic activity being generated by the More Alaska Production Act, our state will continue to be prosperous and full of opportunity. I look forward to working with the Legislature to finalize the operating budget for the upcoming fiscal year.

Thank you for your consideration of this bill.

Sincerely,

/s/

Sean Parnell  
Governor

**SB 121**

SENATE BILL NO. 121 BY THE SENATE RULES COMMITTEE  
BY REQUEST OF THE GOVERNOR, entitled:

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

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

In accordance with AS 37.14.003(b) a report of the differences between the Governor's proposed budget and the recommendations of the Alaska Mental Health Trust Authority was transmitted.

Governor's transmittal letter dated January 17:

Dear President Huggins,

Under the authority of Article III, Section 18 of the Alaska Constitution, I am transmitting a bill relating to the State's comprehensive mental health program for Fiscal Year 2015 (FY 2015). As required by statute, it includes both operating and capital appropriations. Also as required, the enclosed report outlines the differences between the recommendations of the Alaska Mental Health Trust Authority and my proposed budget.

The proposed mental health budget represents a cooperative effort between State agencies and the Alaska Mental Health Trust Authority. These productive working relationships make a positive difference for Alaska's mental health beneficiaries.

With a responsible budget plan, and the increased jobs and economic activity being generated by the More Alaska Production Act, our state will continue to be prosperous and full of opportunity. I look forward to working with the Legislature to finalize the mental health budget for the upcoming fiscal year.

Thank you for your consideration of this bill.

Sincerely,

/s/

Sean Parnell

Governor

**SB 122**

SENATE BILL NO. 122 BY SENATOR MEYER, entitled:

"An Act relating to the use of electronic devices while driving."

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

**SB 123**

SENATE BILL NO. 123 BY SENATOR MEYER, entitled:

"An Act authorizing a municipality to adopt an ordinance prohibiting the use of cellular telephones while driving in school zones or on school property."

was read the first time and referred to the Community and Regional Affairs Committee.

**SB 124**

SENATE BILL NO. 124 BY SENATOR MEYER, entitled:

"An Act extending the termination date of the Council on Domestic Violence and Sexual Assault; and providing for an effective date."

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

**SB 125**

SENATE BILL NO. 125 BY THE SENATE FINANCE COMMITTEE, entitled:

"An Act disapproving all recommendations of the State Officers Compensation Commission relating to the salaries of state officers; and providing for an effective date."

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

**SB 126**

SENATE BILL NO. 126 BY SENATORS WIELECHOWSKI, Ellis, entitled:

"An Act relating to the payment of sick leave by certain employers; and providing for an effective date."

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

**SB 127**

SENATE BILL NO. 127 BY SENATOR GIESSEL, entitled:

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

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

**SB 128**

SENATE BILL NO. 128 BY SENATOR MEYER, entitled:

"An Act relating to the crime of harassment."

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

**SB 129**

SENATE BILL NO. 129 BY THE SENATE RULES COMMITTEE BY REQUEST OF THE LEGISLATIVE BUDGET AND AUDIT COMMITTEE, entitled:

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

was read the first time and referred to the Labor and Commerce Committee.

**SB 130**

SENATE BILL NO. 130 BY SENATOR GARDNER, entitled:

"An Act repealing an appropriation for the Anchorage U-Med District Northern Access project; and providing for an effective date."

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

**SB 131**

SENATE BILL NO. 131 BY SENATORS GARDNER, French, Ellis, entitled:

"An Act adding to the powers and duties of the State Commission for Human Rights; and relating to and prohibiting discrimination based on sexual orientation or gender identity or expression."

was read the first time and referred to the Health and Social Services and Finance Committees.

**SB 132**

SENATE BILL NO. 132 BY SENATOR FAIRCLOUGH, entitled:

"An Act relating to motor vehicle registration fees."

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

**SB 133**

SENATE BILL NO. 133 BY SENATORS OLSON, Ellis, entitled:

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

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

**Unfinished Business**

Senator Coghill moved and asked unanimous consent to be excused from a call of the Senate from afternoon plane time, January 24 through evening plane time, January 26. Without objection, Senator Coghill was excused.

Senator Olson moved and asked unanimous consent to be excused from a call of the Senate from plane time, January 24 through morning plane time, January 27. Without objection, Senator Olson was excused.

Senator Bishop moved and asked unanimous consent to be excused from a call of the Senate from afternoon plane time, January 24 through evening plane time, January 26. Without objection, Senator Bishop was excused.

Senator Fairclough moved and asked unanimous consent to be excused from a call of the Senate from noon plane time, January 24 through evening plane time, January 26; and from noon plane time, February 14 through noon plane time, February 18. Without objection, Senator Fairclough was excused.

Senator Dunleavy moved and asked unanimous consent to be excused from a call of the Senate from morning plane time, January 24 through morning plane time, January 27. Without objection, Senator Dunleavy was excused.

Senator Stedman moved and asked unanimous consent to be excused from a call of the Senate from January 24 through January 26. Without objection, Senator Stedman was excused.

### **Recess**

Senator Coghill moved and asked unanimous consent that the Senate stand in recess to the Joint Session. Without objection, the Senate recessed at 11:40 a.m.

### **After Recess**

#### **Joint Session in the House**

Speaker Chenault called the House to order and in accordance with Uniform Rule 51 turned the gavel over to President Huggins, who called the Joint Session to order at 6:56 p.m.

The purpose of the Joint Session was to hear an address by the Honorable Sean Parnell, Governor.

Senator Coghill moved and asked unanimous consent that the roll call of the Senate be waived and all members be shown as present. Without objection, it was so ordered.

Representative Pruitt moved and asked unanimous consent that the roll call of the House be waived and all members be shown as present. Without objection, it was so ordered.

President Huggins appointed Representative Lynn and Senator Dunleavy to escort Governor Parnell to the Joint Session.



The Senate Sergeant-at-Arms, Grace Ellsworth, announced Governor Parnell's entrance to the House Chamber.

Governor Parnell was escorted to the rostrum and welcomed by President Huggins.

The Governor delivered his address. This address appears in Senate and House Joint Journal Supplement No. 8.

Governor Parnell received a standing ovation.

Senator Coghill moved and asked unanimous consent that the Joint Session stand in adjournment. Without objection, President Huggins adjourned the Joint Session at 7:29 p.m.

#### **After Recess**

#### **In the Senate**

The Senate reconvened at 7:35 p.m.

#### **Announcements**

Announcements are at the end of the journal.

#### **Adjournment**

Senator Coghill moved and asked unanimous consent that the Senate stand in adjournment until 10:00 a.m., January 24, 2014. Without objection, the Senate adjourned at 7:35 p.m.

Liz Clark  
Secretary of the Senate

**Announcements**

Americans with Disabilities Act Notice - Persons with disabilities who require special accommodation or alternative communication formats to access committee meetings may contact the appropriate committee office or the Legislative Information Office in their community. Reasonable advance notice is needed to accommodate the request. For further information, call the ADA Coordinator at 465-3854 Voice/465-4980 TDD.

**STANDING COMMITTEES**

+ indicates teleconference

= indicates bill previously heard/scheduled

**COMMUNITY & REGIONAL AFFAIRS**

**Jan 23      Thursday                      Butrovich 205              3:30 PM**  
No Meeting Scheduled

-----

**EDUCATION**

**Jan 22      Wednesday                      Beltz 105 (TSBLDG)              8:00 AM**  
-- MEETING CANCELED --  
+ SB 111 REPEAL SECONDARY SCHOOL EXIT EXAM  
Bills Previously Heard/Scheduled

**Jan 24      Friday                                  Beltz 105 (TSBLDG)              8:00 AM**  
+= SB 111 REPEAL SECONDARY SCHOOL EXIT EXAM  
Bills Previously Heard/Scheduled

-----

**FINANCE**

**Jan 22      Wednesday                      Senate Finance 532              9:00 AM**  
No Meeting Scheduled

**Jan 23      Thursday                              Senate Finance 532              9:00 AM**  
+ SB 120 APPROP: OPERATING BUDGET/LOANS/FUNDS  
+ SB 119 BUDGET: CAPITAL  
+ SB 121 APPROP: MENTAL HEALTH BUDGET  
FY15 Revenue Forecast - Angela Rodell,  
Commissioner, Department of Revenue  
FY15 Budget - Karen Rehfeld, Director, Office of  
Management and Budget

**FINANCE (continued)**

**Jan 24 Friday Senate Finance 532 9:00 AM**  
 += SB 120 APPROP: OPERATING BUDGET/LOANS/FUNDS  
 += SB 119 BUDGET: CAPITAL  
 += SB 121 APPROP: MENTAL HEALTH BUDGET  
 FY15 Budget - David Teal, Legislative Fiscal  
 Analyst, Legislative Finance Division  
 -----

**JUDICIARY**

**Jan 22 Wednesday Beltz 105 (TSBLDG) 1:30 PM**  
 No Meeting Scheduled

**Jan 24 Friday Beltz 105 (TSBLDG) 1:30 PM**  
 No Meeting Scheduled  
 -----

**LABOR & COMMERCE**

**Jan 23 Thursday Beltz 105 (TSBLDG) 1:30 PM**  
 No Meeting Scheduled

**Jan 28 Tuesday Beltz 105 (TSBLDG) 1:30 PM**  
 No Meeting Scheduled

**Jan 30 Thursday Beltz 105 (TSBLDG) 1:30 PM**  
 No Meeting Scheduled  
 -----

**RESOURCES**

**Jan 22 Wednesday Butrovich 205 3:30 PM**  
 + Overview: Dept. of Environmental Conservation  
 Fukushima Radiation Concerns in Alaska  
 Commissioner Larry Hartig  
 -- Testimony <Invitation Only> --  
 Bills Previously Heard/Scheduled

**RESOURCES (continued)**

**Jan 24**      **Friday**                              **Butrovich 205**              **3:30 PM**  
 +              Overview: Dept. of Natural Resources  
                  Commissioner Joe Balash  
                  Deputy Commissioner Ed Fogels  
                  Deputy Commissioner Bob Swenson  
                  -- Testimony <Invitation Only> --  
                  Bills Previously Heard/Scheduled

-----

**STATE AFFAIRS**

**Jan 23**      **Thursday**                              **Butrovich 205**              **9:00 AM**  
                  No Meeting Scheduled

**Jan 28**      **Tuesday**                              **Butrovich 205**              **9:00 AM**  
                  No Meeting Scheduled

**Jan 30**      **Thursday**                              **Butrovich 205**              **9:00 AM**  
                  Overview: Consumer Driven Health Plans  
                  Deputy Director Chief of Staff, Denny Darrow for  
                  Indiana State Personnel Department

-----

**TRANSPORTATION**

**Jan 23**      **Thursday**                              **Barnes 124**              **1:00 PM**  
 +              Joint w/House Transportation  
                  Presentation: Dept. of Transportation & Public  
                  Facilities by Commissioner Pat Kemp

-----

**JOINT COMMITTEES****LEGISLATIVE BUDGET & AUDIT**

**Jan 28**      **Tuesday**                              **Senate Finance 532**              **5:30 PM**  
 +              Presentation by Nikos Tsafos & Janak Mayer, LB&A  
                  Consultants  
                  Natural Gas Market Outlook & Fundamentals of the  
                  LNG Business  
                  \*\*Streamed live on AKL.TV\*\*

-----

**JOINT COMMITTEES (continued)****LEGISLATIVE COUNCIL**

**Jan 30 Thursday Senate Finance 532 11:00 AM**  
 -- Teleconference <Listen Only> --  
 + Ratification of Charitable Events  
 Contract Approvals  
 Other Committee Business  
 -----

**SELECT COMMITTEE ON LEGISLATIVE ETHICS**

**Jan 23 Thursday Beltz 105 (TSBLDG) 9:00 AM**  
 + FULL COMMITTEE - Open Session  
 Public Comment  
 Chair/Staff Report  
 Annual State Benefit & Loan Review & Discussion  
 Budget  
 2014 Legislation Update  
 Discussion: ETHICS TRAINING - 1st Amendment Rights  
 in Relation to Demonstrations at the Capitol  
 Discussion: ETHICS TRAINING for Independent  
 Contractors or Consultants  
 Other Business

**Jan 23 Thursday Sen Conf Rm 103 TSB 1:00 PM**  
 + SENATE SUBCOMMITTEE - Executive Session  
 Public Comment  
 Executive Session  
 + Public Comment  
 -----

**OTHER MEETINGS****JOINT SESSION**

**Jan 22 Wednesday House Chamber 7:00 PM**  
 State of the State and State of the Budget  
 Address by the Honorable Sean Parnell  
 Governor of Alaska