

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

**Juneau, Alaska**

**Friday**

**January 31, 2014**

**Eleventh Day**

Pursuant to adjournment the Senate was called to order by President Huggins at 10:00 a.m.

The roll showed nineteen members present. Senator Kelly was absent.

Senator Coghill moved and asked unanimous consent that Senator Kelly be excused from a call of the Senate today. Without objection, Senator Kelly was excused.

The prayer was offered by the Chaplain, David Dierdorff, Unitarian Universalist Regional Lay Leader. Senator Hoffman moved and asked unanimous consent that the prayer be spread. Without objection, it was so ordered.

Spirit of life, we pause in the stillness to rest for a moment, to quiet ourselves so that we can feel what stirs within us. Each breath draws us closer to the pulse of life and with each exhalation we make room for something new. May we encounter patience along our growing edges and compassion in our most tender spots.

Here may we find the inspiration and encouragement we need to face our challenges and nurture ourselves. And in the presence of suffering across the globe may we redouble our efforts to practice kindness where we are, with the hope that the light of our actions travels like the light of faraway stars.

May our gestures of compassion and generosity seed possibility. May we walk humbly with one another, choosing reconciliation over resentment as we try to live right-sized. When life presses in and shifts us off balance, when pain assails us, when frustration mounts, may the rhythm of our breath steady us and bring us back to a place of gratitude.

So be it.

Amen.

Senator Egan led the Senate in the Pledge of Allegiance.

### **Certification**

Senator Coghill moved and asked unanimous consent that the journals for the ninth and tenth legislative days be approved as certified by the Secretary. Without objection, it was so ordered.

### **Communications**

The following reports are on file in the Office of the Secretary of the Senate:

Alaska State Officers Compensation Commission Findings and Recommendations  
from Rick Halford, Chair  
in accordance with AS 39.23.540(d)

Biennial Report of the Alaska Public Offices Commission Covering Calendar Years 2012 and 2013  
from Paul Dauphinais, Executive Director  
in accordance with AS 15.13.030

Alaska Children's Trust 2013 Annual Report  
from Trevor J. Storrs, Executive Director  
in accordance with AS 37.14.230

Alaska Municipal Bond Bank Authority Reserve Fund Report,  
FY 2013  
from Mark Pfeffer, Chairperson  
in accordance with AS 44.85.270

### **Standing Committee Reports**

#### **SB 125**

The Finance Committee considered SENATE BILL NO. 125 "An Act disapproving all recommendations of the State Officers Compensation Commission relating to the salaries of state officers; and providing for an effective date." Signing do pass: Senators Kelly, Meyer, Cochairs; Senators Bishop, Olson. Signing no recommendation: Senator Hoffman. Signing amend: Senators Fairclough, Dunleavy.

The following fiscal information was published today:

Fiscal Note No. 1, zero, Department of Administration

The bill was referred to the Rules Committee.

#### **HB 190**

The Education Committee considered CS FOR HOUSE BILL NO. 190(EDC) "An Act providing for course credit in secondary school based on demonstrated mastery of the subject." Signing do pass: Senator Stevens, Chair; Senators Gardner, Stedman, Huggins, Dunleavy.

The following fiscal information was published today:

Fiscal Note No. 2, zero, Department of Education and Early Development

The bill was referred to the Rules Committee.

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

#### **SB 147**

SENATE BILL NO. 147 BY SENATOR GARDNER, entitled:

"An Act increasing and providing an inflation adjustment to the base student allocation used in the formula for state funding of public education; and providing for an effective date."

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

**SB 148**

SENATE BILL NO. 148 BY SENATOR MICCICHE, entitled:

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

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

**SB 149**

SENATE BILL NO. 149 BY THE SENATE JUDICIARY COMMITTEE, entitled:

"An Act relating to public hearings on initiatives and referenda scheduled to appear on the ballot; and providing for an effective date."

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

**SB 150**

SENATE BILL NO. 150 BY SENATOR WIELECHOWSKI, entitled:

"An Act relating to eligibility for medical assistance coverage; and providing for an effective date."

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

**SB 151**

SENATE BILL NO. 151 BY SENATOR OLSON, entitled:

"An Act relating to chemicals that are of high concern for children and to the manufacture and sale of products containing certain flame retardant chemicals; relating to an interstate chemicals clearinghouse; adding an unlawful act to the Alaska Unfair Trade Practices and Consumer Protection Act; and providing for an effective date."

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

### **Consideration of the Calendar**

#### **Citations**

Honoring - Dirk Sisson

Senator(s) Gardner, Wielechowski, Huggins, Bishop, Coghill, Dunleavy, Dyson, Egan, Ellis, Fairclough, French, Giessel, Hoffman, Kelly, McGuire, Meyer, Micciche, Olson, Stedman, Stevens

In Memoriam - William Thomas Maher II

Senator(s) Hoffman, Huggins, Bishop, Coghill, Dunleavy, Dyson, Egan, Ellis, Fairclough, French, Gardner, Giessel, Kelly, McGuire, Meyer, Micciche, Olson, Stedman, Stevens, Wielechowski

In Memoriam - Richard H. Rapp

Senator(s) Gardner, Huggins, Bishop, Coghill, Dunleavy, Dyson, Egan, Ellis, Fairclough, Giessel, Hoffman, Kelly, McGuire, Meyer, Micciche, Olson, Stedman, Stevens, Wielechowski

Representative(s) Josephson

In Memoriam - Donald "Buzz" Schwall

Representative(s) Gara

Senator(s) Ellis, Huggins, Bishop, Coghill, Dunleavy, Dyson, Egan, Fairclough, Gardner, Giessel, Hoffman, Kelly, McGuire, Meyer, Micciche, Olson, Stedman, Stevens, Wielechowski

In Memoriam - Representative Richard "Dick" Greuel  
Representative(s) Guttenberg  
Senator(s) Egan, Hoffman, Huggins, Bishop, Coghill, Dunleavy,  
Dyson, Ellis, Fairclough, French, Gardner, Giessel, Kelly, McGuire,  
Meyer, Micciche, Olson, Stedman, Stevens, Wielechowski

In Memoriam - Katie John  
Representative(s) Foster  
Senator(s) Olson, Huggins, Bishop, Coghill, Dunleavy, Dyson, Egan,  
Ellis, Fairclough, French Gardner, Giessel, Hoffman, Kelly, McGuire,  
Meyer, Micciche, Stedman, Stevens, Wielechowski

Senator Coghill moved and asked unanimous consent that the citations be adopted. Without objection, the citations were adopted and referred to the Secretary for transmittal.

### **Unfinished Business**

Senator French moved and asked unanimous consent to be excused from a call of the Senate on February 3, to morning plane time. Without objection, Senator French was excused.

Senator Coghill moved and asked unanimous consent that President Huggins be excused from a call of the Senate from noon plane time, January 31 through plane time, February 2. Without objection, Senator Huggins was excused.

Senator Stevens moved and asked unanimous consent to be excused from a call of the Senate from noon plane time, February 21 through evening plane time, February 23. Without objection, Senator Stevens was excused.

Pursuant to AS 44.33.431, President Huggins made the following reappointments:

#### **Alaska Minerals Commission**

Stephen T. Trimble (three-year term)

Rob M. Retherford (two-year term)

Lance D. Miller (one-year term)

**SB 123**

Senators Micciche, Egan moved and asked unanimous consent to be shown as cosponsors on SENATE BILL NO. 123 "An Act authorizing a municipality to adopt an ordinance prohibiting the use of cellular telephones while driving in school zones or on school property." Without objection, it was so ordered.

**SB 8**

Senators McGuire, French, Micciche, Gardner moved and asked unanimous consent to be shown as cosponsors on SPONSOR SUBSTITUTE FOR SENATE BILL NO. 8 "An Act establishing procedures and guidelines for auditing pharmacy records; and providing for an effective date." Without objection, it was so ordered.

**SB 150**

Senators French, Gardner moved and asked unanimous consent to be shown as cosponsors on SENATE BILL NO. 150 "An Act relating to eligibility for medical assistance coverage; and providing for an effective date." Without objection, it was so ordered.

**Announcements**

Announcements are at the end of the journal.

**Adjournment**

Senator Coghill moved and asked unanimous consent that the Senate stand in adjournment until 11:00 a.m., February 3, 2014. Without objection, the Senate adjourned at 10:16 a.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**

**Feb 04 Tuesday Butrovich 205 3:30 PM**  
 + SB 123 PROHIBIT USE OF CELL PHONE WHILE DRIVING

**Feb 06 Thursday Butrovich 205 3:30 PM**  
 Bills Previously Heard/Scheduled

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**EDUCATION**

**Jan 31 Friday Beltz 105 (TSBLDG) 8:00 AM**  
 += HB 190 CREDIT FOR SECONDARY SCHOOL COURSES  
 Bills Previously Heard/Scheduled

**Feb 03 Monday Capitol 106 8:00 AM**  
 -- Location Change --  
 Joint w/House Education  
 + SB 139 EDUCATION: FUNDING/TAX CREDITS/PROGRAMS  
 Bills Previously Heard/Scheduled

**Feb 05 Wednesday Beltz 105 (TSBLDG) 8:00 AM**  
 Bills Previously Heard/Scheduled

**Feb 07 Friday Beltz 105 (TSBLDG) 8:00 AM**  
 Bills Previously Heard/Scheduled

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**FINANCE**

**Jan 31 Friday Senate Finance 532 9:00 AM**  
 + SB 125 REJECT RECOMMENDATION OF COMP. COMMISSION

**Feb 03 Monday Senate Finance 532 9:00 AM**  
 + Amendments to Contract between Hay Group, Inc. &  
 the Senate Finance Committee  
 += SJR 9 CONST. AM: EDUCATION FUNDING  
 + Bills Previously Heard/Scheduled

**Feb 03 Monday Senate Finance 532 6:00 PM**  
 += SJR 9 CONST. AM: EDUCATION FUNDING  
 -- Public Testimony --

**Feb 04 Tuesday Senate Finance 532 9:00 AM**  
 += SJR 9 CONST. AM: EDUCATION FUNDING  
 + Bills Previously Heard/Scheduled

**Feb 05 Wednesday Senate Finance 532 9:00 AM**  
 + SB 82 BROADBAND DISCOUNTS FOR SCHOOLS  
 + SB 111 REPEAL SECONDARY SCHOOL EXIT EXAM  
 + Bills Previously Heard/Scheduled

**Feb 06 Thursday Senate Finance 532 9:00 AM**  
 + Senate Bill:  
 Supplemental Budget Overview  
 <Pending Introduction & Referral>  
 Karen Rehfeld  
 + Bills Previously Heard/Scheduled

**Feb 07 Friday Senate Finance 532 9:00 AM**  
 + Bills Previously Heard/Scheduled

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**HEALTH & SOCIAL SERVICES**

**Jan 31 Friday Butrovich 205 1:30 PM**  
 No Meeting Scheduled

**Feb 03 Monday Butrovich 205 1:30 PM**  
 + SB 135 EXTEND ALASKA HEALTH CARE COMMISSION

**HEALTH & SOCIAL SERVICES (continued)**

**Feb 05**      **Wednesday**                      **Butrovich 205**                      **1:30 PM**  
 +              Overview: Program Integrity and Fraud Control in  
                  the Medicaid and Public Assistance Programs  
                  Presenters:  
                  - Commissioner William Streur, Dept. of H&SS  
                  - Assistant Attorney General Andrew Peterson  
                  Dir., Medicaid Fraud Control Unit, Dept. of Law

**Feb 07**      **Friday**                                      **Butrovich 205**                      **1:30 PM**  
 No Meeting Scheduled

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**JUDICIARY**

**Jan 31**      **Friday**                                      **Beltz 105 (TSBLDG)**                      **1:30 PM**  
 += SB 64      OMNIBUS CRIME/CORRECTIONS BILL  
                  -- Testimony <Invitation Only> --  
                  Bills Previously Heard/Scheduled

**Feb 03**      **Monday**                                      **Beltz 105 (TSBLDG)**                      **1:30 PM**  
 += SB 64      OMNIBUS CRIME/CORRECTIONS BILL  
                  -- Public Testimony --  
 +              Bills Previously Heard/Scheduled

**Feb 05**      **Wednesday**                                      **Beltz 105 (TSBLDG)**                      **1:30 PM**  
 += SB 64      OMNIBUS CRIME/CORRECTIONS BILL  
                  -- Public Testimony --  
 +              Bills Previously Heard/Scheduled

**Feb 07**      **Friday**                                      **Beltz 105 (TSBLDG)**                      **1:30 PM**  
 += SB 64      OMNIBUS CRIME/CORRECTIONS BILL  
                  -- Public Testimony --  
 +              Bills Previously Heard/Scheduled

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**LABOR & COMMERCE**

**Feb 04**      **Tuesday**                                      **Beltz 105 (TSBLDG)**                      **1:30 PM**  
 += SB 61      COMMERCIAL FISHING & AGRICULTURE BANK  
 += SB 58      CANCEL INS. ON CERTAIN ABANDONED PROPERTY  
 +              Bills Previously Heard/Scheduled

**LABOR & COMMERCE (continued)**

**Feb 06 Thursday Beltz 105 (TSBLDG) 1:30 PM**  
 += SB 58 CANCEL INS. ON CERTAIN ABANDONED PROPERTY  
 += SB 61 COMMERCIAL FISHING & AGRICULTURE BANK  
 + Bills Previously Heard/Scheduled

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**RESOURCES**

**Jan 31 Friday Butrovich 205 3:30 PM**  
 + The Alaska LNG Project  
 -Steve Butt, Senior Project Manager  
 -- Testimony <Invitation Only> --  
 Bills Previously Heard/Scheduled

**Feb 03 Monday Butrovich 205 3:30 PM**  
 + Gasline Key Themes  
 Consultants: Janak Mayer and Nikos Tsafos  
 + The Alaska LNG Project  
 Steve Butt, Senior Project Manager  
 <Pending Uniform Rule 23 Waiver>  
 -- Testimony <Invitation Only> --  
 + Bills Previously Heard/Scheduled

**Feb 05 Wednesday Butrovich 205 12:00 PM**  
 + Joint w/ House Resources  
 Mining Industry Overview  
 -- Testimony <Invitation Only> --  
 Bills Previously Heard/Scheduled

**Feb 05 Wednesday Butrovich 205 3:30 PM**  
 + Gasline Issues: Heads of Agreement Panel Discussion  
 -- Testimony <Invitation Only> --  
 Bills Previously Heard/Scheduled

**Feb 07 Friday Butrovich 205 3:30 PM**  
 + SB 138 GAS PIPELINE; AGDC; OIL & GAS PROD. TAX  
 Sectional Analysis  
 Department of Revenue  
 Department of Natural Resources  
 -- Testimony <Invitation Only> --  
 Bills Previously Heard/Scheduled

**RESOURCES (continued)**

**Feb 08 Saturday Butrovich 205 9:00 AM**  
 + SB 146 APPROVE TESORO ROYALTY OIL SALE  
 Department of Natural Resources  
 -- Public Testimony --  
 + SB 109 ADVISORY COMMISSION ON FEDERAL MGT AREAS  
 -- Public Testimony --  
 + SJR 15 OPPOSE INTERNATIONAL DESIGNATING OF LAND  
 -- Public Testimony --  
 + SJR 16 OPPOSE FEDERAL AID TO CERTAIN NONPROFITS  
 -- Public Testimony --  
 Bills Previously Heard/Scheduled

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**STATE AFFAIRS**

**Feb 04 Tuesday Capitol 106 9:00 AM**  
 + Joint w/ House State Affairs  
 Alaska Arctic Policy Commission Preliminary  
 Report  
 Presented by Sen. McGuire, Rep. Herron and AAPC  
 Executive Director Nikoosh Carlo  
 -- Testimony <Invitation Only> --

**Feb 04 Tuesday Butrovich 205 10:15 AM**  
 + SJR 14 BASE F-35 AIRCRAFT AT EIELSON AFB

**Feb 06 Thursday Butrovich 205 9:00 AM**  
 + Overview: Dept. of Law Medicaid Fraud Control  
 Unit, Andrew Peterson, Director MFCU  
 -- Testimony <Invitation Only> --  
 + SB 104 APPROPRIATIONS FROM THE DIVIDEND FUND

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**TRANSPORTATION**

**Feb 04 Tuesday Butrovich 205 1:30 PM**  
 No Meeting Scheduled

**Feb 06 Thursday Butrovich 205 1:30 PM**  
 No Meeting Scheduled

**TRANSPORTATION (continued)**

|               |  |                   |                |
|---------------|--|-------------------|----------------|
| <b>Feb 11</b> | <b>Tuesday</b>   | <b>Barnes 124</b> | <b>1:00 PM</b> |
| +             | Joint w/ House Transportation<br>Federal Funding; FAA and Federal Highway (MAP-21)<br>Policy Impacts |                   |                |
| <b>Feb 13</b> | <b>Thursday</b>  | <b>Barnes 124</b> | <b>1:00 PM</b> |
| +             | Joint w/ House Transportation<br>Port of Anchorage Update  |                   |                |

**FINANCE SUBCOMMITTEES**

**ENVIRONMENTAL CONSERVATION**

|               |                      |                           |                 |
|---------------|----------------------|---------------------------|-----------------|
| <b>Feb 26</b> | <b>Wednesday</b>     | <b>Senate Finance 532</b> | <b>12:00 PM</b> |
| +             | Department Overview  |                           |                 |
| <b>Mar 05</b> | <b>Wednesday</b>     | <b>Senate Finance 532</b> | <b>12:00 PM</b> |
| +             | Department Overview  |                           |                 |
| <b>Mar 12</b> | <b>Wednesday</b>     | <b>Senate Finance 532</b> | <b>12:00 PM</b> |
| +             | Department Close-out |                           |                 |

**FISH & GAME**

|               |                      |                           |                |
|---------------|----------------------|---------------------------|----------------|
| <b>Feb 24</b> | <b>Monday</b>        | <b>Senate Finance 532</b> | <b>3:00 PM</b> |
| +             | Department Overview  |                           |                |
| <b>Mar 03</b> | <b>Monday</b>        | <b>Senate Finance 532</b> | <b>3:00 PM</b> |
| +             | Department Overview  |                           |                |
| <b>Mar 10</b> | <b>Monday</b>        | <b>Senate Finance 532</b> | <b>3:00 PM</b> |
| +             | Department Overview  |                           |                |
| <b>Mar 17</b> | <b>Monday</b>        | <b>Senate Finance 532</b> | <b>3:00 PM</b> |
| +             | Department Close-out |                           |                |

**HEALTH & SOCIAL SERVICES**

|                    |  |                           |                |
|--------------------|--|---------------------------|----------------|
| <b>Feb 06</b><br>+ | <b>Thursday</b><br>MMIS Status, Problems, Solutions<br>-- Testimony <Invitation Only> --   | <b>Fahrenkamp 203</b>     | <b>8:00 AM</b> |
| <b>Feb 12</b><br>+ | <b>Wednesday</b><br>Medicaid Projections, GAP<br>-- Testimony <Invitation Only> --   | <b>Beltz 105 (TSBLDG)</b> | <b>3:00 PM</b> |
| <b>Feb 13</b><br>+ | <b>Thursday</b><br>Medicaid continued<br>-- Testimony <Invitation Only> --   | <b>Fahrenkamp 203</b>     | <b>8:00 AM</b> |
| <b>Feb 19</b><br>+ | <b>Wednesday</b><br>Behavioral Health - Effect of Reductions, Alcohol<br>Tax Funds, CBC<br>-- Testimony <Invitation Only> --   | <b>Beltz 105 (TSBLDG)</b> | <b>3:00 PM</b> |
| <b>Feb 20</b><br>+ | <b>Thursday</b><br>Mental Health Trust<br>-- Testimony <Invitation Only> --  | <b>Fahrenkamp 203</b>     | <b>8:00 AM</b> |
| <b>Feb 27</b><br>+ | <b>Thursday</b><br>OCS Status - Effect of Reductions to<br>Expenditure Levels in the Department, Tobacco<br>Prevention and Control Funds Cuts, Effect of<br>Elimination of Rabies PEP<br>-- Testimony <Invitation Only> -- | <b>Fahrenkamp 203</b>     | <b>8:00 AM</b> |
| <b>Mar 17</b><br>+ | <b>Monday</b><br>Budget Close-out<br>-- Testimony <Invitation Only> --   | <b>Beltz 105 (TSBLDG)</b> | <b>3:00 PM</b> |

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**MILITARY & VETERANS' AFFAIRS**

|               |   |                            |                |
|---------------|---|----------------------------|----------------|
| <b>Feb 28</b> | <b>Friday</b><br>Department Overview  | <b>Sen Conf Rm 103 TSB</b> | <b>5:00 PM</b> |
| <b>Mar 03</b> | <b>Monday</b><br>Increments and Decrements<br>Legislative Concerns and Issues | <b>Sen Conf Rm 103 TSB</b> | <b>5:00 PM</b> |

**MILITARY & VETERANS' AFFAIRS (continued)**

**Mar 04**     **Tuesday**                     **Sen Conf Rm 103 TSB**             **5:00 PM**  
 Wrap-up  
 Draft Close-out

**Mar 10**     **Monday**                     **Sen Conf Rm 103 TSB**             **5:00 PM**  
 Close-out

**PUBLIC SAFETY**

**Feb 04**     **Tuesday**                     **Fahrenkamp 203**             **3:30 PM**  
 +  
 Status of VPSO Program  
 -- Testimony <Invitation Only> --

**Feb 11**     **Tuesday**                     **Fahrenkamp 203**             **3:30 PM**  
 +  
 Status of VPSO Program continued  
 -- Testimony <Invitation Only> --

**Feb 18**     **Tuesday**                     **Fahrenkamp 203**             **3:30 PM**  
 +  
 Shelter Programs & Funding; Effects of Governor's  
 DVSA Initiative  
 -- Testimony <Invitation Only> --

**Feb 25**     **Tuesday**                     **Fahrenkamp 203**             **3:30 PM**  
 +  
 Reductions Included in the Budget  
 -- Testimony <Invitation Only> --

**Mar 13**     **Thursday**                     **Fahrenkamp 203**             **3:30 PM**  
 +  
 Budget Close-out  
 -- Testimony <Invitation Only> --

**SPECIAL COMMITTEES****WORLD TRADE**

**Feb 04**     **Tuesday**                     **Barnes 124**             **11:15 AM**  
 +  
 Joint w/ House Econ. Dev., Trade & Tourism  
 Presentation: "Alaska Arctic Policy Commission"  
 Sen. McGuire  
 Rep. Herron

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

|               |   |                      |                 |
|---------------|---|----------------------|-----------------|
| <b>Feb 12</b> | <b>Wednesday</b>  | <b>House Chamber</b> | <b>11:00 AM</b> |
|               | State of the Judiciary Address by<br>Chief Justice Dana Fabe    |                      |                 |
| <b>Feb 19</b> | <b>Wednesday</b>  | <b>House Chamber</b> | <b>11:00 AM</b> |
|               | Annual Address by the Honorable<br>Lisa Murkowski, U.S. Senator |                      |                 |
| <b>Mar 03</b> | <b>Monday</b>   | <b>House Chamber</b> | <b>11:00 AM</b> |
|               | Annual Address by the Honorable<br>Mark Begich, U.S. Senator    |                      |                 |
|               | -----   |                      |                 |

**MISCELLANEOUS MEETING**

|               |   |                    |                |
|---------------|---|--------------------|----------------|
| <b>Feb 10</b> | <b>Monday</b>   | <b>Capitol 106</b> | <b>1:00 PM</b> |
|               | School District Legislative Fly-In<br>Informal Q&A Session Regarding Alaska's<br>Public School System |                    |                |