

HOUSE JOURNAL
ALASKA STATE LEGISLATURE
TWENTY-NINTH LEGISLATURE
SECOND SESSION

Juneau, Alaska

Thursday

May 12, 2016

One Hundred Fifteenth Day

The House was called to order by Speaker Chenault at 6:07 p.m. in the Terry Miller Legislative Office Building gymnasium.

Roll call showed 34 members present. Representatives Hawker, Keller, and Reinbold had been excused from a call of the House today. Representative Wool was absent and later excused.

Representative Herron, Acting Majority Leader, moved and asked unanimous consent that Representatives Millett and Claman be excused from a call of the House today. There being no objection, it was so ordered.

The invocation was offered by the Chaplain, Representative Stutes. Representative 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 all religious beliefs, I offer this prayer.

We gather here today intent on doing good work. We seek to represent fairly and well those who have given us this task. May our efforts be blessed with insight and guided by understanding and wisdom. We seek to serve with respect for all. May our personal faiths give us strength to act honestly and well in all matters before us. Amen.

The Pledge of Allegiance was led by Representative Gattis.

CERTIFICATION OF THE JOURNAL

Representative Herron moved and asked unanimous consent that the journal for the 114th legislative day be approved as certified by the Chief Clerk. There being no objection, it was so ordered.

MESSAGES FROM THE SENATE

HB 137

A message dated May 12, 2016, was read stating the Senate adopted the Conference Committee with limited powers of free conference report on CSHB 137(FIN) am and SCS CSHB 137(FIN) am S, thus adopting:

CONFERENCE CS FOR HOUSE BILL NO. 137

"An Act relating to the duties of the commissioner of fish and game; establishing an intensive management surcharge; providing for the repeal of the intensive management surcharge; establishing certain special hunting and fishing licenses and permits for residents with developmental disabilities; establishing a separate sustainable wildlife account in the fish and game fund; raising certain fees related to sport fishing, hunting, and trapping; relating to the fish and game fund; providing for the repeal of the sport fishing surcharge and sport fishing facility revenue bonds; relating to hunting and fishing by proxy; relating to fish and game conservation decals; raising the age at which a state resident is required to obtain a license for sport fishing, hunting, or trapping; relating to the Chitina dip net fishery; and providing for an effective date."

(SCR 22 – title change resolution)

The House adopted CCS HB 137 (page 2793).

CCS HB 137 was referred to the Chief Clerk for engrossment and enrollment.

REPORTS OF STANDING COMMITTEES**HB 247**

The Rules Committee considered:

CS FOR HOUSE BILL NO. 247(FIN) am

"An Act relating to interest applicable to delinquent tax; relating to the oil and gas production tax, tax payments, and credits; relating to refunds for the gas storage facility tax credit, the liquefied natural gas storage facility tax credit, and the qualified in-state oil refinery infrastructure expenditures tax credit; relating to oil and gas lease expenditures and production tax credits for municipal entities; relating to a bond or cash deposit required for an oil or gas business; establishing a legislative working group to study the tax structure for oil and gas produced south of 68 degrees North latitude; and providing for an effective date."

and recommends it be replaced with:

2d CS FOR HOUSE BILL NO. 247(RLS)

"An Act relating to the powers and duties of the Alaska Oil and Gas Conservation Commission; relating to exploration incentive credits; relating to confidential information status and public record status of information in the possession of the Department of Revenue; relating to interest applicable to delinquent tax; relating to the oil and gas production tax rate for certain oil exempt from taxation or constituting a landowner's royalty interest; relating to oil and gas production tax credits; relating to tax credit certificates; relating to the calculation of the production tax value of oil and gas; relating to refunds for the gas storage facility tax credit, the liquefied natural gas storage facility tax credit, and the qualified in-state oil refinery infrastructure expenditures tax credit; relating to the purchase of tax credit certificates from the oil and gas tax credit fund; relating to lease expenditures; relating to oil and gas lease expenditures and production tax credits for municipal entities; requiring a bond or cash deposit with a business license application for an oil or gas business; establishing a legislative working group to study the fiscal regime and tax structure and rates for oil and gas produced south of 68 degrees North latitude; and providing for an effective date."

The report was signed by Representative Johnson, Chair, with the following individual recommendations:

Do pass (3): Chenault, Olson, Johnson

No recommendation (2): Herron, Tuck

Amend (1): Kreiss-Tomkins

The following fiscal note(s) apply to 2d CSHB 247(RLS):

5. Zero, Dept. of Natural Resources
7. Fiscal, Dept. of Revenue

CSHB 247(FIN) am is on today's calendar.

INTRODUCTION OF CITATIONS

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

Honoring - Teagen Tanner and Helmets on Heads
By Representatives Tilton, Hughes, Gattis, Neuman, Colver, Keller;
Senators Stoltze, Dunleavy, Huggins

Honoring - Alaska Military Youth Academy
By Representatives LeDoux, Saddler

In Memoriam - Delores Calista Rose Espinosa Grumbling
By Representative LeDoux; Senator Wielechowski

In Memoriam - Lyle Von Bergen
By Senator Dunleavy

CONSIDERATION OF THE DAILY CALENDAR

HOUSE BILLS IN THIRD READING

HB 247

The following, which was returned to the Rules Committee (page 2311), was before the House in third reading:

CS FOR HOUSE BILL NO. 247(FIN) am

"An Act relating to interest applicable to delinquent tax; relating to the oil and gas production tax, tax payments, and credits; relating to refunds for the gas storage facility tax credit, the liquefied natural gas storage facility tax credit, and the qualified in-state oil refinery infrastructure expenditures tax credit; relating to oil and gas lease expenditures and production tax credits for municipal entities; relating to a bond or cash deposit required for an oil or gas business; establishing a legislative working group to study the tax structure for oil and gas produced south of 68 degrees North latitude; and providing for an effective date."

Representative Herron moved and asked unanimous consent that CSHB 247(FIN) am be returned to second reading for the purpose of rescinding action in the adoption of all amendments. There being no objection, it was so ordered.

Representative Herron moved and asked unanimous consent that the House rescind action in adopting all amendments. There being no objection, it was so ordered.

Representative Herron moved and asked unanimous consent to withdraw Amendment Nos. 1, 13 as amended, 15, 16, 18 as amended, and 19. There being no objection, the amendments were withdrawn.

Representative Herron moved and asked unanimous consent that the House rescind action in adopting CSHB 247(FIN). There being no objection, it was so ordered.

Representative Herron moved and asked unanimous consent to withdraw the motion to adopt CSHB 247(FIN) in lieu of the original bill. There being no objection, it was so ordered.

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

2d CS FOR HOUSE BILL NO. 247(RLS)

"An Act relating to the powers and duties of the Alaska Oil and Gas Conservation Commission; relating to exploration incentive credits; relating to confidential information status and public

record status of information in the possession of the Department of Revenue; relating to interest applicable to delinquent tax; relating to the oil and gas production tax rate for certain oil exempt from taxation or constituting a landowner's royalty interest; relating to oil and gas production tax credits; relating to tax credit certificates; relating to the calculation of the production tax value of oil and gas; relating to refunds for the gas storage facility tax credit, the liquefied natural gas storage facility tax credit, and the qualified in-state oil refinery infrastructure expenditures tax credit; relating to the purchase of tax credit certificates from the oil and gas tax credit fund; relating to lease expenditures; relating to oil and gas lease expenditures and production tax credits for municipal entities; requiring a bond or cash deposit with a business license application for an oil or gas business; establishing a legislative working group to study the fiscal regime and tax structure and rates for oil and gas produced south of 68 degrees North latitude; and providing for an effective date."

There being no objection, it was so ordered.

2d CSHB 247(RLS) was automatically in third reading.

The Speaker stated that, without objection, 2d CSHB 247(RLS) will be held in third reading to tomorrow's calendar.

Representative Herron moved and asked unanimous consent that Representative Wool be excused from a call of the House today. There being no objection, it was so ordered.

LEGISLATIVE CITATIONS

Representative Herron 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:

In Memoriam - Ryan Frederick Kauffman
By Representatives Kreiss-Tomkins, Chenault, Claman, Colver, Drummond, Edgmon, Foster, Gara, Gattis, Guttenberg, Hawker, Herron, Hughes, Johnson, Josephson, Kawasaki, Keller, Kito, LeDoux, Lynn, Millett, Munoz, Nageak, Neuman, Olson, Ortiz,

Reinbold, Pruitt, Saddler, Seaton, Spohnholz, Stutes, Talerico, Tarr, Thompson, Tilton, Tuck, Vazquez, Wilson, Wool

In Memoriam - Dr. David A. McGuire

By Senator McGuire; Representatives Chenault, Claman, Colver, Drummond, Edgmon, Foster, Gara, Gattis, Guttenberg, Hawker, Herron, Hughes, Johnson, Josephson, Kawasaki, Keller, Kito, Kreiss-Tomkins, LeDoux, Lynn, Millett, Munoz, Nageak, Neuman, Olson, Ortiz, Pruitt, Reinbold, Saddler, Seaton, Spohnholz, Stutes, Talerico, Tarr, Thompson, Tilton, Tuck, Vazquez, Wilson, Wool

In Memoriam - John "Leo" Powell

By Senator Stoltze; Representatives Chenault, Claman, Colver, Drummond, Edgmon, Foster, Gara, Gattis, Guttenberg, Hawker, Herron, Hughes, Johnson, Josephson, Kawasaki, Keller, Kito, Kreiss-Tomkins, LeDoux, Lynn, Millett, Munoz, Nageak, Neuman, Olson, Ortiz, Pruitt, Reinbold, Saddler, Seaton, Spohnholz, Stutes, Talerico, Tarr, Thompson, Tilton, Tuck, Vazquez, Wilson, Wool

UNFINISHED BUSINESS

Representative Herron moved and asked unanimous consent that the following members be excused from a call of the House. There being no objection, the members were excused as noted:

Representative Claman – from 11:00 p.m., today to 10:00 p.m., May 15

Representative LeDoux – from 5:00 p.m., May 13 to 9:00 a.m., May 16

HB 100

The following memorandum, dated May 11, 2016, was received from Laura Duval, Enrolling Secretary, Division of Legal and Research Services, regarding:

SENATE CS FOR CS FOR HOUSE BILL NO. 100(FIN) am S
"An Act establishing a credit against the net income tax for an in-state processing facility that manufactures urea, ammonia, or gas-to-liquid products; relating to establishing the value of the state's royalty share of gas production based on contracts with certain in-

state processing facilities that manufacture urea, ammonia, or gas-to-liquid products; and providing for an effective date."

"In accordance with Rule 43, Uniform Rules of the Alaska State Legislature, I am reporting the following manifest errors in SCS CSHB 100(FIN) am S, which have been corrected in enrolling:

Page 2, line 11:

Delete "with either"
Insert "either with"

Page 2, line 18:

Delete "subsection"
Insert "paragraph""

ENGROSSMENT

SB 91

The following, for which engrossment was waived (page 2796), was engrossed and returned to the Senate:

HOUSE CS FOR CS FOR SS FOR SENATE BILL NO. 91(FIN)
am H

"An Act relating to civil in rem forfeiture actions; relating to criminal law and procedure; relating to controlled substances; relating to victims of criminal offenses; relating to probation; relating to sentencing; relating to treatment program credit for time spent toward service of a sentence of imprisonment; relating to the Violent Crimes Compensation Board; establishing a pretrial services program with pretrial services officers in the Department of Corrections; relating to permanent fund dividends; relating to electronic monitoring; relating to penalties for violations of municipal ordinances; relating to parole; relating to correctional restitution centers; relating to community work service; relating to revocation, termination, suspension, cancellation, or restoration of a driver's license; relating to identification cards and driver's licenses for parolees; relating to the disqualification of persons convicted of certain felony drug offenses from participation in the food stamp and temporary assistance programs; relating to the duties of the commissioner of corrections; amending Rules 32,

32.1, 38, and 43, Alaska Rules of Criminal Procedure; and providing for an effective date."

ANNOUNCEMENTS

With appointment of the Conference Committee on the operating budget, Rule 23(d) of the Uniform Rules is in effect as of April 6, 2016.

House committee schedules are published under separate cover.

ADJOURNMENT

Representative Herron moved and asked unanimous consent that the House adjourn until 10:00 a.m., May 13, 2016. There being no objection, the House adjourned at 6:25 p.m.

Crystaline Jones
Chief Clerk