

SENATE JOURNAL
ALASKA STATE LEGISLATURE
TWENTY-NINTH LEGISLATURE
SECOND SESSION

Juneau, Alaska

Tuesday

May 17, 2016

One Hundred Twentieth Day

The Senate was called to order by President Meyer at 6:39 p.m. in the Terry Miller Legislative Office Building gymnasium.

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

The prayer was offered by the Chaplain, Romo Marasigan. Senator Hoffman moved and asked unanimous consent that the prayer be spread. Without objection, it was so ordered.

Blessed are they which do hunger and thirst after
righteousness: for they shall be filled.

Blessed are the merciful: for they shall obtain
mercy. Amen.
(Matthew 5:6-7)

Senator McGuire led the Senate in the Pledge of Allegiance.

Certification

Senator Coghill moved and asked unanimous consent that the journals for the one hundred seventeenth through one hundred nineteenth legislative days be approved as certified by the Secretary. Without objection, it was so ordered.

Standing Committee Reports**HB 247**

The Finance Committee considered 2d CS FOR HOUSE BILL NO. 247(RLS) am "An Act amending the powers of the board of trustees of the Alaska Retirement Management Board to authorize purchase and sale of transferable tax credit certificates issued in conjunction with the production tax on oil and gas; relating to interest applicable to delinquent tax; relating to the oil and gas production tax, tax payments, and credits; relating to exploration incentive 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 the confidential information status and public record status of information in the possession of the Department of Revenue; 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" and recommended it be replaced with

SENATE CS FOR 2d CS FOR HOUSE BILL NO. 247(FIN) "An Act relating to the exploration incentive credits; relating to the powers and duties of the Alaska Oil and Gas Conservation Commission; relating to interest applicable to delinquent tax; relating to the oil and gas production tax, tax payments, and credits; relating to tax credit certificates; 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; requiring a bond or cash deposit with a business license application for an oil or gas business; and providing for an effective date."

(Title Change SCR 32)

Signing do pass: Senator MacKinnon, Cochair; Senators Hoffman, Micciche. Signing no recommendation: Senator Kelly, Cochair. Signing amend: Senators Bishop, Dunleavy, Olson.

The following fiscal information was published today:
Fiscal Note No. 8, Department of Revenue

The following previously published fiscal information applies:
Fiscal Note No. 5, zero, Department of Natural Resources

The bill is on today's calendar.

Special Committee Reports

HB 75

The following report was received and distributed at 4:47 p.m.,
May 16:

May 16, 2016

Mr. President:
Mr. Speaker:

The Conference Committee considered 2d SENATE CS FOR CS FOR HOUSE BILL NO. 75(RLS) and CS FOR HOUSE BILL NO. 75(JUD) am and recommends

CONFERENCE CS FOR HOUSE BILL NO. 75 "An Act relating to possessing, using, displaying, purchasing, growing, processing, transporting, and transferring marijuana; relating to assisting another person 21 years of age or older in activities related to marijuana; relating to established villages and to local option elections regarding the operation of marijuana establishments; and providing for an effective date"

be adopted.

The following fiscal information was published today:

- Fiscal Note No. 4, zero, Alaska Judiciary System
- Fiscal Note No. 5, zero, Department of Commerce, Community and Economic Development
- Fiscal Note No. 6, zero, Department of Public Safety

Signing the report: Senator Bishop, Chair, Senators McGuire, Hoffman; Representative Tilton, Chair, Representatives Millett, Drummond.

The report was held on the Secretary's desk.

Introduction and Reference of Senate Resolutions

SCR 32

SENATE CONCURRENT RESOLUTION NO. 32 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. 247, amending the powers of the board of trustees of the Alaska Retirement Management Board to authorize purchase and sale of transferable tax credit certificates issued in conjunction with the production tax on oil and gas; relating to interest applicable to delinquent tax; relating to the oil and gas production tax, tax payments, and credits; relating to exploration incentive 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 the confidential information status and public record status of information in the possession of the Department of Revenue; 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; and 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.

was read the first time and held on the Secretary's desk.

Consideration of the Calendar

Second Reading of House Bills

HB 247

2d CS FOR HOUSE BILL NO. 247(RLS) am "An Act amending the powers of the board of trustees of the Alaska Retirement Management Board to authorize purchase and sale of transferable tax credit certificates issued in conjunction with the production tax on oil and gas; relating to interest applicable to delinquent tax; relating to the oil and gas production tax, tax payments, and credits; relating to exploration incentive 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 the confidential information status and public record status of information in the possession of the Department of Revenue; 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" was read the second time.

Senator MacKinnon, Cochair, moved and asked unanimous consent for the adoption of the Finance Senate Committee Substitute offered on page 2822. Senator Gardner objected, then withdrew her objection. There being no further objection, SENATE CS FOR 2d CS FOR HOUSE BILL NO. 247(FIN) "An Act relating to the exploration incentive credits; relating to the powers and duties of the Alaska Oil and Gas Conservation Commission; relating to interest applicable to delinquent tax; relating to the oil and gas production tax, tax

payments, and credits; relating to tax credit certificates; 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; requiring a bond or cash deposit with a business license application for an oil or gas business; and providing for an effective date" was adopted.

President Meyer stated SENATE CS FOR 2d CS FOR HOUSE BILL NO. 247(FIN) will advance to third reading on the May 18 calendar.

Special Order of Business

Senator Coghill moved and asked unanimous consent that the following Citation Calendar be made a special order of business. Without objection, it was so ordered.

Citation Calendar

Honoring - Donald Erickson ASAA Hall of Fame

Senator(s) Olson, Meyer, Bishop, Coghill, Costello, Egan, Ellis, Gardner, Giessel, Hoffman, Huggins, Kelly, MacKinnon, McGuire, Micciche, Stedman, Stevens, Stoltze, Wielechowski

Representative(s) Foster

Honoring - Nome Volunteer Fire Department Retirees

Senator(s) Olson, Meyer, Bishop, Coghill, Costello, Egan, Ellis, Gardner, Giessel, Hoffman, Huggins, Kelly, MacKinnon, McGuire, Micciche, Stedman, Stevens, Stoltze, Wielechowski

Representative(s) Foster

Honoring - Teagen Tanner and Helmets on Heads

Representative(s) Tilton, Hughes, Gattis, Neuman, Colver, Keller

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

Honoring - Alaska Military Youth Academy

Representative(s) LeDoux, Saddler

Senator(s) Wielechowski, MacKinnon, Meyer, Bishop, Coghill, Costello, Egan, Ellis, Gardner, Giessel, Hoffman, Huggins, Kelly, McGuire, Micciche, Olson, Stedman, Stevens, Stoltze

Honoring - Chad Bentz

Representative(s) Colver, Munoz

Senator(s) Egan, Meyer, Bishop, Coghill, Costello, Ellis, Gardner, Giessel, Hoffman, Huggins, Kelly, MacKinnon, McGuire, Micciche, Olson, Stedman, Stevens, Stoltze, Wielechowski

In Memoriam - Dr. David A. McGuire

Senator(s) McGuire, Meyer, Bishop, Coghill, Costello, Egan, Ellis, Gardner, Giessel, Hoffman, Huggins, Kelly, MacKinnon, Micciche, Olson, Stedman, Stevens, Stoltze, Wielechowski

In Memoriam - John "Leo" Powell

Senator(s) Stoltze, Meyer, Bishop, Coghill, Costello, Egan, Ellis, Gardner, Giessel, Hoffman, Huggins, Kelly, MacKinnon, McGuire, Micciche, Olson, Stedman, Stevens, Wielechowski

In Memoriam - Lyle Von Bergen

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

In Memoriam - Ben Esch

Senator(s) Olson, Meyer, Bishop, Coghill, Costello, Egan, Ellis, Gardner, Giessel, Hoffman, Huggins, Kelly, MacKinnon, McGuire, Micciche, Stedman, Stevens, Stoltze, Wielechowski

Representative(s) Foster

In Memoriam - Denny Amarok

Senator(s) Olson, Meyer, Bishop, Coghill, Costello, Egan, Ellis, Gardner, Giessel, Hoffman, Huggins, Kelly, MacKinnon, McGuire, Micciche, Stedman, Stevens, Stoltze, Wielechowski

Representative(s) Foster

In Memoriam - Ryan Frederick Kauffman
Representative(s) Kreiss-Tompkins
Senator(s) Stedman, Meyer, Bishop, Coghill, Costello, Egan, Ellis,
Gardner, Giessel, Hoffman, Huggins, Kelly, MacKinnon, McGuire,
Micciche, Olson, Stevens, Wielechowski

In Memoriam - Delores Calista Rose Espinosa Grumbling
Representative(s) LeDoux
Senator(s) Wielechowski, Meyer, Bishop, Coghill, Costello, Egan,
Ellis, Gardner, Giessel, Hoffman, Huggins, Kelly, MacKinnon,
McGuire, Micciche, Olson, Stedman, Stevens

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.

Senator Coghill moved and asked unanimous consent that the following citation be made a special order of business. Without objection, it was so ordered.

Special Order of Business

In Memoriam - Johnny Theodore Hawk
Representative(s) Herron
Senator(s) Hoffman, Meyer, Bishop, Coghill, Costello, Egan, Ellis,
Gardner, Giessel, Huggins, Kelly, MacKinnon, McGuire, Micciche,
Olson, Stedman, Stevens, Stoltze, Wielechowski

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

Unfinished Business

SB 138

CS FOR SENATE BILL NO. 138(FIN) "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" which had been engrossed (page 2812), was signed by the President and Secretary and transmitted to the House for consideration on May 15.

Announcements

Rule 23(d) of the Alaska State Legislature Uniform Rules is currently in effect.

Announcements are at the end of the journal.

Enrollment

SB 9

HOUSE CS FOR SENATE BILL NO. 9(STA) am H "An Act relating to the matching of identifying information a voter provides to the division of elections with the records of the Department of Administration and the Department of Revenue; relating to the release of certain confidential voter registration records; and relating to the material a political party may include in the general election pamphlet; and providing for an effective date" was enrolled, signed by the President and Secretary, Speaker and Chief Clerk and the engrossed and enrolled copies transmitted to the Office of the Governor at 4:11 p.m., May 16, 2016.

Memorandum from the Division of Legal and Research Services, Legislative Affairs Agency, reporting the following manifest error in HOUSE CS FOR SENATE BILL NO. 9(STA) am H, which has been corrected in enrolling:

Page 2, line 27:

Delete "of Alaska"

SB 154

HOUSE CS FOR CS FOR SENATE BILL NO. 154(STA) "An Act relating to special registration plates commemorating the Blood Bank of Alaska; relating to special request registration plates celebrating the arts; and relating to the Alaska State Council on the Arts" was enrolled, signed by the President and Secretary, Speaker and Chief Clerk and the engrossed and enrolled copies transmitted to the Office of the Governor at 4:11 p.m., May 16, 2016.

Memorandum from the Division of Legal and Research Services, Legislative Affairs Agency, reporting the following manifest error in HOUSE CS FOR CS FOR SENATE BILL NO. 154(STA), which has been corrected in enrolling:

Page 2, line 31:

Delete "**Sec. 44.27.070**"

Insert "**Sec. 44.27.080**"

Adjournment

Senator Coghill moved and asked unanimous consent that the Senate stand in adjournment until 9:00 a.m., May 18, 2016. Without objection, the Senate adjourned at 6:54 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

FINANCE

May 17	Tuesday	Bill Ray Center 230	9:00 AM
+ =	HB 247	TAX;CREDITS;INTEREST;REFUNDS;O & G Bills Previously Heard/Scheduled	
May 18	Wednesday	Bill Ray Center 230	1:00 PM
+		Bills Previously Heard/Scheduled	

CONFERENCE COMMITTEES

CONFERENCE COMMITTEE ON HB256 AND HB257

May 17	Tuesday	Bill Ray Center 230	1:00 PM
		-- Recessed to May 18th to a Call of the Chair --	
+ =	HB 256	APPROP: OPERATING BUDGET/LOANS/FUNDS	
+ =	HB 257	APPROP: MENTAL HEALTH BUDGET	
May 18	Wednesday	Bill Ray Center 230	Time TBA
		-- Meeting Recessed from May 17th --	
		-- To Convene at the Call of the Chair --	
=	HB 256	APPROP: OPERATING BUDGET/LOANS/FUNDS	
=	HB 257	APPROP: MENTAL HEALTH BUDGET	