

**HOUSE JOURNAL**  
**ALASKA STATE LEGISLATURE**  
**THIRTIETH LEGISLATURE**  
**SECOND SESSION**

**Juneau, Alaska**

**Monday**

**February 5, 2018**

**Twenty-first Day**

Pursuant to adjournment the House was called to order by Speaker Edgmon at 11:08 a.m.

Roll call showed 37 members present.

Representative Tuck moved and asked unanimous consent that Representatives Millett and Neuman be excused from a call of the House today, and Representative Fansler be excused from a call of the House from today to 10:00 p.m., February 12. There being no objection, it was so ordered.

The invocation was offered by the Chaplain, the Reverend Tari Stage-Harvey of Shepherd of the Valley Lutheran Church. Representative Ortiz moved and asked unanimous consent that the invocation be spread on the journal. There being no objection, it was so ordered.

Respecting the beliefs of all Alaskans, I offer the following prayer:

In the midst of the water of chaos, one creation story tells us of the wind blowing back the chaos to make space for life. In the midst of our chaos, O God of the wild winds, let your spirit flow. Where hurts make us distrustful and angry, grant healing and grace. Where minds are fearful and constricted, grant courage and hope. Where anxiety is infectious and widening, grant peace and reassurance. Where impossibilities close every door and window, grant imagination and

resistance. Where spirits are daunted and weakened, grant soaring wings and strengthened dreams. In you we pray. Amen.

The Pledge of Allegiance was led by Representative Drummond.

### **CERTIFICATION OF THE JOURNAL**

Representative Tuck moved and asked unanimous consent that the journal for the 18th, 19th, and 20th legislative days be approved as certified by the Chief Clerk. There being no objection, it was so ordered.

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Representative Parish introduced Tiera Cruz, Mackenzie Nichols, and Isaiah Nelson, Guest Pages, from Juneau.

### **COMMUNICATIONS**

The following were received:

Alaska Commercial Fishing and Agriculture Bank  
2017 Annual Report  
(as required by AS 44.81.200)

Alaska Court System  
2017 Travel and Compensation Report  
January 31, 2018  
(as required by AS 22.20.037)

Dept. of Environmental Conservation  
Division of Water  
Alaska Drinking Water and Clean Water Loan Funds  
Annual Report Fiscal Year 2017  
January 17, 2018  
(as required by AS 37.05.035)

**REPORTS OF STANDING COMMITTEES****HB 240**

The Labor & Commerce Committee considered:

**HOUSE BILL NO. 240**

"An Act relating to the registration and duties of pharmacy benefits managers; relating to procedures, guidelines, and enforcement mechanisms for pharmacy audits; relating to the cost of multi-source generic drugs and insurance reimbursement procedures; relating to the duties of the director of the division of insurance; and providing for an effective date."

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

Do pass (2): Wool, Kito

Do not pass (1): Sullivan-Leonard

No recommendation (4): Stutes, Knopp, Birch, Josephson

The following fiscal note(s) apply:

1. Zero, Dept. of Commerce, Community, & Economic Development
2. Indeterminate, Dept. of Administration

HB 240 was referred to the Finance Committee.

**INTRODUCTION OF CITATIONS**

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

Honoring - North Star Council on Aging 45th Anniversary  
By Representatives Kawasaki, Guttenberg

Honoring - Leva "Pat" Lawton  
By Senator Hughes; Representative Johnson

In Memoriam - Carl Gronn  
By Senator Stevens; Representative Stutes

**INTRODUCTION, FIRST READING, AND REFERENCE  
OF HOUSE RESOLUTIONS**

**HJR 21**

SPONSOR SUBSTITUTE FOR HOUSE JOINT RESOLUTION NO.  
21 by Representatives Guttenberg, Drummond, Tarr, and Kawasaki:

Urging the federal government to respect the authority of the state to regulate marijuana use, production, and distribution and to honor previous federal guidance on marijuana policy; and urging the federal government to reconsider its listing of marijuana as a schedule I controlled substance.

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

**INTRODUCTION, FIRST READING, AND REFERENCE  
OF HOUSE BILLS**

**HB 328**

HOUSE BILL NO. 328 by Representatives Claman and Tuck,  
entitled:

"An Act relating to biometric information and to the collection, use, storage, and disclosure of geolocation information; and establishing an unfair trade practice under the Alaska Unfair Trade Practices and Consumer Protection Act."

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

**HB 329**

HOUSE BILL NO. 329 by Representative Josephson, entitled:

"An Act relating to the registration and regulation of real estate appraisal management companies; relating to the establishment of fees by the Department of Commerce, Community, and Economic Development; relating to the Board of Certified Real Estate

Appraisers; relating to real estate appraisers; and providing for an effective date."

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

**HB 330**

HOUSE BILL NO. 330 by the House Rules Committee by request of the Governor, entitled:

"An Act authorizing the commissioner of natural resources to disclose confidential information in an investigation or proceeding, including a lease royalty audit, appeal, or request for reconsideration and issue a protective order limiting the persons who have access to the confidential information."

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

The following fiscal note(s) apply:

1. Zero, Dept. of Natural Resources

The Governor's transmittal letter dated February 2 follows:

"Dear Speaker Edgmon:

Under the authority of Article III, Section 18 of the Alaska Constitution, I am transmitting a bill that clarifies how confidential information obtained by the Commissioner of natural resources may be used and treated as part of the Department of Natural Resources (DNR) appeals, audits, and requests for reconsideration.

A long-standing dilemma faces DNR with respect to the handling of oil and gas sales price information considered "confidential" under Alaska law. Specifically, this dilemma impedes the department's ability to effectively audit and enforce royalty payments when multiple companies working the same lease negotiate different prices. Because sales contracts by one party cannot be provided to another due to confidentiality, producers object to the audit on the basis of a

lack of due process. The department then faces administrative obstacles in finalizing the royalty audits.

While the department believes it has the statutory and contractual authority to share this information for audit purposes, providing the information in the face of objection from the affected parties could expose the department and its employees to a claim for improper disclosure of confidential information and criminal penalties. This bill would clarify that the department may disclose pricing information to affected parties under a protective order to finalize the audits without going to court. This will allow the State to more quickly and efficiently collect the royalties it is owed in the future.

I urge your favorable action on this measure so the State may timely finalize audits and recover the royalties it is owed moving forward.

Sincerely,

/s/

Bill Walker  
Governor"

#### **CONSIDERATION OF THE DAILY CALENDAR**

#### **SECOND READING OF HOUSE BILLS**

#### **HB 287**

The following was read the second time:

#### **HOUSE BILL NO. 287**

"An Act making appropriations for public education and transportation of students; 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."

with the:

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FIN RPT 7DP 3AM

2309

Representative Tuck moved and asked unanimous consent that HB 287 be considered engrossed, advanced to third reading, and placed on final passage.

There was objection.

HB 287 will advance to third reading on the February 7 calendar.

### **UNFINISHED BUSINESS**

#### **HB 176**

Representative Wool moved and asked unanimous consent that his name be added as prime sponsor to the following:

#### HOUSE BILL NO. 176

"An Act relating to medical assistance reimbursement for ground emergency medical transportation services; and providing for an effective date."

There being no objection, it was so ordered. (Representative Fansler resigned, page 2308).

HB 176 was reprinted today. The sponsors are: Representatives Wool, Fansler, and Gara.

Representative Tuck 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 Knopp – from 5:00 p.m., February 8 to 10:00 a.m., February 12

Representative Pruitt – from 8:00 p.m., February 6 to 9:30 p.m., February 11

#### **HB 186**

The following memorandum dated February 2 was received from Lora Brown, Enrolling Secretary, Division of Legal and Research Services, regarding:

**HOUSE BILL NO. 186**

"An Act relating to the donation of food; and relating to food banks."

"In accordance with Rule 43, Uniform Rules of the Alaska State Legislature, I am reporting the following manifest error in HB 186, which has been corrected in enrolling:

Page 3, line 10, following "eaten":

Insert "by"

**HB 25**

Representative Tarr added as a cosponsor to:

**HOUSE BILL NO. 25**

"An Act relating to insurance coverage for contraceptives and related services; relating to medical assistance coverage for contraceptives and related services; and providing for an effective date."

**HB 91**

Representative Gara added as a cosponsor to:

**HOUSE BILL NO. 91**

"An Act relating to fees for certain persons filing disclosure statements or other reports with the Alaska Public Offices Commission; relating to a tax on legislative lobbyists; and providing for an effective date."

**HB 213**

Representative Drummond added as a cosponsor to:

**HOUSE BILL NO. 213**

"An Act relating to the investment, appropriation, and administration of the public school trust fund."

**HB 277**

Representative Spohnholz added as a cosponsor to:



**HOUSE BILL NO. 277**

"An Act relating to the regulation of broadband Internet; and making certain actions by broadband Internet service providers unlawful acts or practices under the Alaska Unfair Trade Practices and Consumer Protection Act."

**ANNOUNCEMENTS**

House committee schedules are published under separate cover.

**ADJOURNMENT**

Representative Tuck moved and asked unanimous consent that the House adjourn until 10:30 a.m., February 7. There being no objection, the House adjourned at 11:45 a.m.

Crystaline Jones  
Chief Clerk