SENATE JOURNAL

ALASKA STATE LEGISLATURE

THIRTIETH LEGISLATURE

FIRST SESSION

Juneau, Alaska Wednesday January 18, 2017

Second Day

Pursuant to adjournment the Senate was called to order by President Kelly at 11:04 a.m.

The roll showed twenty members present.

The prayer was offered by the Chaplain, Pastor Kirk Elmore, Landmark Apostolic Church. Senator Hoffman moved and asked unanimous consent that the prayer be spread. Without objection, it was so ordered.

My Lord and Savior Jesus Christ, today I join in prayer for these men and women of the Alaska state legislature that have come together for the purpose of creating and facilitating laws and policies that will govern our great state for the new year and even generations to come. This service to our communities comes with immense responsibilities. I ask that your spirit would be here and ever be present as they make these decisions that will carry our state into the future. God, I also ask that you help them to be unified, conduct themselves with dignity, and remember the constituents whom they serve as they consider the business of the state. I want to convey my support for this body. God I commit myself, my family, and my church to be in prayer for them continually. I pray for the families of these men and women. I ask that you bless them, as we are thankful for their sacrifices and commitment. In the book of James your word says: that wisdom from above is

first pure, then peaceable, gentle, open to reason, full of mercy and good fruits, impartial and sincere. Lord I accept this truth and ask that you help us all to have a better understanding of its meaning for this type of wisdom is truly the only kind that will continue to make this a great place to call home. Lord I ask all of these things in your wonderful name, Jesus. Amen.

Senator Begich led the Senate in the Pledge of Allegiance.

Certification

Senator Micciche 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.

Messages from the Governor

A letter dated December 22, 2016, was received requesting legislative concurrence with the accompanying revised finance plan (as required by AS 26.23.020(k)(2)), for the 2015 Bering Sea Storm Disaster.

The letter and revised finance plan had been copied to the Finance Committee Cochairs.

Messages from the House

Message dated January 17 was received stating the House has confirmed the following members to the Select Committee on Legislative Ethics:

Representative Tuck Representative Eastman Representative Parish, Alternate Representative Reinbold, Alternate January 18, 2017

Communications

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

Department of Transportation and Public Facilities and Department of Administration Alaska Sustainable Energy Act Annual Report 2016 Progress Report in accordance with AS 44.42.067(d)

Department of Revenue Alaska Housing Finance Corporation Notification of Availability for 2016 Annual Report in accordance with AS 18.56.200

Office of the Governor Office of Management & Budget Executive Branch Lease Purchase Agreements Report Fiscal Year 2016 in accordance with AS 37.07.040(11)

Department of Commerce, Community and Economic Development Alaska Industrial Development and Export Authority Annual Review of Assets January 4, 2017 in accordance with AS 44.88.205

Interior Energy Project Quarterly Report January 10, 2017 in accordance with Chapter 39, SLA 2015

Alaska Energy Authority Alaska Affordable Energy Strategy Report December 30, 2016 in accordance with Chapter 14, SLA 2014 Alaska Energy Authority Susitna-Watana Hydro 2016 Report to the Legislature in accordance with AS 44.83.085

24

Department of Health and Social Services and Department of Law Joint Legislative Report Fraud, Abuse, and Waste, Payment and Eligibility Errors for FY16 November 2016 in accordance with AS 47.07.076

Department of Health and Social Services Annual Medicaid Reform Report FY 2016 November 15, 2016 in accordance with AS 47.05.270

Medicaid Management Information System (AK MMIS) Status Report, December 15, 2016 in accordance with AS 47.07.076(c)

Office of the Governor
Alaska Criminal Justice Commission
Victim Restitution Report
December 1, 2016
in accordance with Chapter 36, SLA 2016

Alcohol-Related Offenses Report December 1, 2016 in accordance with Chapter 83, SLA 2014

Recommendations for Improving Criminal Sentencing Practices and Criminal Justice Practices December 20, 2016 in accordance with AS 44.19.645

Social Impact Bonds Report December 15, 2016 in accordance with Chapter 36, SLA 2016 The following Budget and Audit Reports were received from Kris Curtis, Legislative Auditor, in accordance with AS 24.20.311 and are on file in the Office of the Secretary of the Senate:

Alaska Commission on Postsecondary Education and the Alaska Student Loan Corporation Performance Review September 9, 2016

Department of Commerce, Community and Economic Development Alaska Regional Development Organizations August 9, 2016

Introduction and Reference of Senate Resolutions

SJR 1

SENATE JOINT RESOLUTION NO. 1 BY SENATOR WIELECHOWSKI,

Proposing amendments to the Constitution of the State of Alaska relating to the Alaska permanent fund, establishing the earnings reserve account, and relating to the permanent fund dividend.

(Prefile released January 9, 2017)

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

Introduction and Reference of Senate Bills

SB 1

SENATE BILL NO. 1 BY SENATOR DUNLEAVY, entitled:

"An Act making a special appropriation from the earnings reserve account for the payment of permanent fund dividends; and providing for an effective date." (Prefile released January 9, 2017)

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

SB 2

SENATE BILL NO. 2 BY SENATOR DUNLEAVY, entitled:

"An Act increasing the amount of the 2016 permanent fund dividend and directing the Department of Revenue to pay a supplemental dividend to eligible individuals; and providing for an effective date."

(Prefile released January 9, 2017)

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

SB 3

SENATE BILL NO. 3 BY SENATOR STEDMAN, entitled:

"An Act relating to the regulation of wastewater discharge from small commercial passenger vessels in state waters; relating to art requirements for certain public facilities; and providing for an effective date." (Prefile released January 9, 2017)

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

SB 4

SENATE BILL NO. 4 BY SENATOR MICCICHE, entitled:

"An Act relating to the Board of Barbers and Hairdressers; and relating to a limited license to practice non-chemical barbering." (Prefile released January 9, 2017)

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

January 18, 2017

SB 5

SENATE BILL NO. 5 BY SENATOR MEYER, entitled:

"An Act prohibiting groups controlled by a legislator from soliciting and accepting contributions or from making certain contributions and expenditures during a regular or special legislative session; and prohibiting some lobbyists from making campaign contributions to certain groups." (Prefile released January 9, 2017)

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

SB 6

SENATE BILL NO. 6 BY SENATOR HUGHES, entitled:

"An Act relating to industrial hemp; and relating to controlled substances." (Prefile released January 9, 2017)

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

SB 7

SENATE BILL NO. 7 BY SENATOR STEVENS, entitled:

"An Act establishing a museum construction grant program in the Department of Commerce, Community, and Economic Development."
(Prefile released January 9, 2017)

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

SB 8

SENATE BILL NO. 8 BY SENATOR STEVENS, entitled:

"An Act allowing federally recognized tribal governments to receive contributions from permanent fund dividends." (Prefile released January 9, 2017)

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

SB 9

SENATE BILL NO. 9 BY SENATOR COGHILL, entitled:

"An Act relating to military facility zones." (Prefile released January 9, 2017)

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

SB 10

SENATE BILL NO. 10 BY SENATOR DUNLEAVY, entitled:

"An Act relating to home and community-based waiver services under Medicaid; relating to personal care services; establishing an adult foster care home license and procedures in the Department of Health and Social Services; and providing for the transition of severely disabled individuals from foster care to adult foster care homes."

(Prefile released January 9, 2017)

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

SB 11

SENATE BILL NO. 11 BY SENATOR BISHOP, entitled:

"An Act relating to the taking of antlerless moose; and providing for an effective date." (Prefile released January 9, 2017)

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

SB 12

SENATE BILL NO. 12 BY SENATOR BISHOP, entitled:

January 18, 2017

"An Act imposing a limited educational facilities, maintenance, and construction tax on net earnings from self-employment and wages; relating to the administration and enforcement of the educational facilities, maintenance, and construction tax; and providing for an effective date."

(Prefile released January 9, 2017)

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

SB 13

SENATE BILL NO. 13 BY SENATOR WIELECHOWSKI, entitled:

"An Act relating to the salary and per diem of members of the legislature." (Prefile released January 9, 2017)

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

SB 14

SENATE BILL NO. 14 BY SENATORS COSTELLO, MacKinnon, entitled:

"An Act relating to transportation network companies and transportation network company drivers." (Prefile released January 9, 2017)

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

SB 15

SENATE BILL NO. 15 BY SENATOR STEVENS, entitled:

"An Act relating to possession of an electronic smoking product or a product containing nicotine by a minor and to selling or giving an electronic smoking product to a minor; relating to business license endorsements to sell cigarettes, cigars,

tobacco, products containing tobacco, electronic smoking products, or products containing nicotine; and relating to citations for certain offenses concerning tobacco or nicotine products."
(Prefile released January 13, 2017)

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

SB 16

SENATE BILL NO. 16 BY SENATOR HUGHES, entitled:

"An Act adopting and relating to the Revised Uniform Fiduciary Access to Digital Assets Act." (Prefile released January 13, 2017)

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

SB 17

SENATE BILL NO. 17 BY SENATOR COSTELLO, entitled:

"An Act authorizing the University of Alaska to establish, through an agreement with the University of Hawaii, the Ted Stevens - Daniel K. Inouye Exchange Program for political science students at the University of Alaska and the University of Hawaii to commemorate the bipartisan friendship between Senator Ted Stevens and Senator Daniel K. Inouye."

(Prefile released January 13, 2017)

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

SB 18

SENATE BILL NO. 18 BY SENATOR HOFFMAN, entitled:

"An Act relating to third class boroughs." (Prefile released January 13, 2017)

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

January 18, 2017

SB 19

SENATE BILL NO. 19 BY SENATOR WIELECHOWSKI, entitled:

"An Act relating to prescribing, dispensing, and administering an investigational drug, biological product, or device by physicians for patients who are terminally ill; providing immunity for persons manufacturing, distributing, or providing investigational drugs, biological products, or devices; and relating to licensed health care facility requirements."

(Prefile released January 13, 2017)

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

SB 20

SENATE BILL NO. 20 BY SENATOR MEYER, entitled:

"An Act classifying U-47700 as a schedule IA controlled substance; and providing for an effective date."

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

SB 21

SENATE BILL NO. 21 BY SENATOR STEDMAN, entitled:

"An Act relating to appropriations from the income of the Alaska permanent fund; relating to the calculation of permanent fund dividends; and providing for an effective date."

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

SB 22

SENATE BILL NO. 22 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; amending appropriations; repealing appropriations; making supplemental appropriations and reappropriations, and 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."

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

Governor's transmittal letter dated January 17:

Dear President Kelly:

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 (FY) 2018.

The FY 2018 budget shares many commonalities with the plan I submitted last year. The budget continues to reduce State spending for operating agencies through program reductions, efficiency measures such as the new Shared Services Division, provisions to increase unrestricted general fund revenue through sustainable use of the Permanent Fund Earnings Reserve, and tax increases.

This year's agency operating budget is \$3.75 billion in unrestricted general funds. This represents an unrestricted general fund reduction of \$123.0 million from FY 2017 and \$747.7 million from FY 2015. While continuing to reduce total spending, the budget maintains key services such as education and support to local communities. It maximizes federal funding opportunities to support Alaskans and the Alaskan economy. The budget reduces the draw on the Constitutional Budget Reserve by \$2 billion, from the estimated \$2.9 billion to \$892 million.

33

My administration included language in the FY 2018 budget and is introducing separate legislation for the Permanent Fund Protection Act and motor fuels tax, and stands ready to assist the Legislature in developing other broad based tax legislation in order to cover the cost of necessary government services.

My administration looks forward to working with the Legislature on the FY 2018 budget and related revenue measures to provide a long term balanced budget.

Sincerely, /s/ Bill Walker Governor

SB 23

SENATE BILL NO. 23 BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR, entitled:

"An Act making appropriations, including capital appropriations, supplemental appropriations, reappropriations, and other appropriations; making appropriations to capitalize funds; and providing for an effective date."

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

Governor's transmittal letter dated January 17:

Dear President Kelly:

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 (FY) 2018.

The proposed capital bill totals \$1.4 billion, of which \$1.2 billion will be supported by federal funds, and \$106.1 million with unrestricted general funds. The budget meets minimum capital funding needs including housing support and matching funds for transportation, water, and sewer.

The largest component of the capital budget is the State's transportation program, totaling \$1.2 billion, including \$22 million of savings from the vessel replacement fund to match \$222.0 million in federal receipts to replace the Alaska Marine Highway System's oldest vessel, the *M/V Tustumena*. Outside of the transportation program, this budget includes only minimal matching funds for energy, sewer, and water projects, limited deferred maintenance, mostly through reappropriations, and limited named recipient's grants, including the Alaska Travel Industry Association for tourism marketing. Without a full fiscal plan, the capital budget will remain unsustainably low, running the risk of allowing our public assets such as schools, ports, and roads to deteriorate.

My administration looks forward to working with the Legislature to finalize a capital budget and is interested in collectively looking at a disciplined approach to using General Obligation Bonds for existing capital requirements.

Thank you for your consideration of this bill.

Sincerely, /s/ Bill Walker Governor

SB 24

SENATE BILL NO. 24 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; and providing for an effective date."

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.

January 18, 2017

Governor's transmittal letter dated January 17:

Dear President Kelly:

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 (FY) 2018. 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 (Trust) and my proposed budget.

The total FY 2018 mental health budget of \$229.4 million represents a \$9.1 million reduction from FY 2017. The FY 2018 budget includes \$16.7 million of the Trust's \$16.9 million operating budget recommendations and \$12.1 million of the Trust's \$15.2 million capital budget recommendations. These amounts are in addition to \$200.6 million of annual base funding. The mental health operating budget reflects reductions to grant programs, reform to the Medicaid program, increases to criminal justice recidivism reduction programs, and salary and health benefit adjustments. Reports comparing Trust recommendations to those included in the FY 2018 Governor's operating and capital mental health budgets are available at https://www.omb.alaska.gov/ombfiles/18_budget/PDFs/Mental_Health_Budget_Reports_01-10-17.pdf.

The State's fiscal situation requires that all areas of government maximize efficiencies. The Trust's encouragement and support of Medicaid and criminal justice reform have had a positive impact on the State. Moving forward, a comprehensive fiscal plan to address State revenue will help ensure the sustainability of programs to support Alaska's mental health beneficiaries. We look forward to working with the Legislature on the FY 2018 budget bills and revenue solutions.

Thank you for your consideration of this bill.

Sincerely, /s/ Bill Walker Governor

SB 25

SENATE BILL NO. 25 BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR, entitled:

"An Act relating to the motor fuel tax; relating to the disposition of revenue from the motor fuel tax; relating to a transportation maintenance fund; and providing for an effective date."

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

The following fiscal information was published today:
Fiscal Note No. 1, Department of Revenue
Fiscal Note No. 2, zero, Department of Transportation and Public
Facilities

Governor's transmittal letter dated January 17:

Dear President Kelly:

Under the authority of Article III, Section 18 of the Alaska Constitution, I am transmitting a bill relating to the taxation of motor fuels.

The bill would raise the tax rates on the categories of motor fuel currently taxed under AS 43.40.010 (motor fuel tax) by increasing the currently outdated tax rates on motor fuels, including all motor fuel sold or transferred within the state, aviation gasoline, aviation fuel other than gasoline and motor fuel used in and on watercraft. The tax increase would be phased in, with a first increase effective July 1, 2017, and the second increase effective July 1, 2018. The two-part implementation approach in the bill will assist in easing the transition to a more practical tax base.

While the proposed tax increase may appear to represent a significant increase, the tax rates on motor fuel sold or transferred within the state have not been raised in many years; for example, the tax on highway fuel has remained at eight cents a gallon since 1970. This bill would bring Alaska's tax rate on highway fuel very close to the current national average of 25 cents a gallon.

37

Further, this bill would establish as AS 43.40.040 the transportation maintenance fund in the general fund. Included in this fund would be the existing special highway fuel tax account (AS 43.40.010(g)), the special nonpublic highway use account (AS 43.40.010(j)), and the special watercraft fuel tax account (AS 43.40.010(f)) for revenue generated by the tax. This approach clarifies how motor fuels taxes are accounted for in order to allow the Legislature to appropriate funds for the purposes set out in each account in the transportation maintenance fund, including the direct capital, operating, or maintenance costs of water and harbor, and highway infrastructure.

Thank you for your consideration of this measure.

Sincerely, /s/ Bill Walker Governor

SB 26

SENATE BILL NO. 26 BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR, entitled:

"An Act relating to the Alaska Permanent Fund Corporation, the earnings of the Alaska permanent fund, and the earnings reserve account; relating to the mental health trust fund; relating to deposits into the dividend fund; relating to the calculation of permanent fund dividends; relating to unrestricted state revenue available for appropriation; and providing for an effective date."

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

The following fiscal information was published today:

Fiscal Note No. 1, zero, Department of Administration

Fiscal Note No. 2, Department of Corrections

Fiscal Note No. 3, Department of Revenue

Fiscal Note No. 4, zero, Department of Revenue

Fiscal Note No. 5, zero, Department of Administration

Fiscal Note No. 6, Department of Revenue

Governor's transmittal letter dated January 17:

Dear President Kelly:

Under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill relating to the Alaska permanent fund and the funding structure for State government.

This bill would establish a new financial model to enable sustainable funding of State services and the protection of the Permanent Fund. The bill would provide for an annual sustainable draw, subject to appropriation, from the Permanent Fund earnings reserve account to the general fund to support State government services. Additionally, the bill would provide that the Legislature may make appropriations for Permanent Fund dividends based on the value of the entire Permanent Fund and the value of mineral royalties. As a result of the changes in this bill, the Permanent Fund earnings reserve account would generate a predictable and solid return of revenues for State government, and the dividend would continue, but on a more sustainable and predictable basis.

In detail, the bill would make the following changes to allow for sustainable withdrawals from the Permanent Fund to the general fund:

- Amend AS 37.13.145 to provide for an annual appropriation from the earnings reserve account to the general fund to pay for State government services, calculated based on five and one-quarter percent of the average market value of the Permanent Fund for the first five of the preceding six fiscal years (hereafter, "POMV draw").
- Add a new section, AS 37.13.146, to provide that the Legislature may appropriate for the payment of dividends from the general fund based on an amount equal to 20 percent of the POMV draw and 20 percent of the mineral royalties received by the State. For the next two years, the dividend would be set at \$1,000. Thereafter, the new formula would go into effect, resulting in a dividend of approximately \$1,000 into the future.

- Change the inflation-proofing mechanism by providing that
 the Legislature may appropriate any amount in the earnings
 reserve that exceeds the annual POMV draw multiplied by
 four to Permanent Fund principal. This will ensure that a
 sufficient amount of funds remains in the earnings reserve
 account for the POMV draw, while also continuing to build
 up the principal of the Permanent Fund over time.
- Add a new section reducing the annual draw from the earnings reserve account to the general fund if the State receives more than \$1.2 billion in mineral royalties and oil and gas production taxes in a fiscal year.

Finally, the bill seeks to amend the uncodified law to express the intent of the Legislature that the Legislature reevaluate the use of Permanent Fund earnings as provided for in this bill in three years. Upon becoming law, the bill would become effective immediately.

I urge your prompt and favorable action on this measure.

Sincerely, /s/ Bill Walker Governor

Unfinished Business

SJR 1

Senators Begich, Gardner moved and asked unanimous consent to be shown as cosponsors on SENATE JOINT RESOLUTION NO. 1 Proposing amendments to the Constitution of the State of Alaska relating to the Alaska permanent fund, establishing the earnings reserve account, and relating to the permanent fund dividend. Without objection, it was so ordered.

SB 17

Senators Stevens, Bishop moved and asked unanimous consent to be shown as cosponsors on SENATE BILL NO. 17 "An Act authorizing the University of Alaska to establish, through an agreement with the University of Hawaii, the Ted Stevens - Daniel K. Inouye Exchange Program for political science students at the University of Alaska and the University of Hawaii to commemorate the bipartisan friendship between Senator Ted Stevens and Senator Daniel K. Inouye." Without objection, it was so ordered.

SB 1

Senators Giessel, Wilson, Wielechowski, Begich, Hughes moved and asked unanimous consent to be shown as cosponsors on SENATE BILL NO. 1 "An Act making a special appropriation from the earnings reserve account for the payment of permanent fund dividends; and providing for an effective date." Without objection, it was so ordered.

SB 2

Senators Giessel, Wilson, Wielechowski, Begich, Hughes moved and asked unanimous consent to be shown as cosponsors on SENATE BILL NO. 2 "An Act increasing the amount of the 2016 permanent fund dividend and directing the Department of Revenue to pay a supplemental dividend to eligible individuals; and providing for an effective date." Without objection, it was so ordered.

Senator Stedman moved and asked unanimous consent to be excused from a call of the Senate from May 11 through May 16. Without objection, Senator Stedman was excused.

Senator Coghill moved and asked unanimous consent to be excused from a call of the Senate from morning plane time, January 19 through evening plane time, January 24. Without objection, Senator Coghill was excused.

Senator Dunleavy moved and asked unanimous consent to be excused from a call of the Senate from afternoon plane time, January 20 through evening plane time, January 22. Without objection, Senator Dunleavy was excused.

Senator Micciche moved and asked unanimous consent to be excused from a call of the Senate from morning plane time, January 27 through evening plane time, January 30. Without objection, Senator Micciche was excused.

A memo dated November 16, 2016, from Senator Stevens, Chair, was received stating the following task force membership change was made due to unforeseen medical circumstances:

Legislative Task Force on Civics Education

David Block replaces Pamela Orme

Recess

Senator Micciche moved and asked unanimous consent that the Senate stand in recess to the Joint Session. Without objection, the Senate recessed at 11:28 a.m.

After Recess

Joint Session in the House

Speaker Edgmon called the House to order and in accordance with Uniform Rule 51 turned the gavel over to President Kelly, who called the Joint Session to order at 7:00 p.m.

The purpose of the Joint Session was to hear Governor Bill Walker's State of the State Address.

Senator Micciche 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 Tuck 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 Kelly appointed Senator Begich and Representative Westlake to escort Governor Walker to the Joint Session.

The Senate Sergeant-at-Arms, Grace Ellsworth, announced the Honorable Bill Walker's entrance to the House Chamber.

The Honorable Bill Walker was escorted to the rostrum and welcomed by President Kelly. Governor Walker delivered his address. This address appears in House and Senate Joint Journal Supplement No. 1.

Following his address, Governor Walker received a standing ovation.

Senator Micciche moved and asked unanimous consent that the Joint Session stand in adjournment. Without objection, President Kelly adjourned the Joint Session at 7:50 p.m.

After Recess

In the Senate

The Senate reconvened at 7:53 p.m.

Announcements

Announcements are at the end of the journal.

Adjournment

Senator Micciche moved and asked unanimous consent that the Senate stand in adjournment until 10:00 a.m., January 20, 2017. Without objection, the Senate adjourned at 7:54 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

EDUCATION

Jan 18	Wednesday No Meeting Scheduled	Butrovich 205	8:00 AM	
Jan 20	Friday Testimony <invitation department="" education="" house="" joint="" of<="" overview:="" th="" with=""><th>ation Committee</th><th>8:00 AM</th></invitation>	ation Committee	8:00 AM	
Development FINANCE				
Jan 18 +	Wednesday Presentation: Overview F Pat Pitney, Director, Office Budget	1 0 0	9:00 AM	
Jan 19 +	Thursday Presentation: 2016 Fall R Randall Hoffbeck, Comm Revenue		9:00 AM	
Jan 20 +	Friday Presentation: Overview F David Teal, Director, Leg Division		9:00 AM	

LABOR & COMMERCE

Jan 18 Wednesday Beltz 105 (tsbldg) 9:00 AM

+ 2017 ECONOMIC FORECAST

44

Department of Labor & Workforce Development Presentation: Current Trends in Alaska's Economy

-- Testimony <Invitation Only> --

Jan 18 Wednesday Beltz 105 (tsbldg) 1:30 PM

STATE OF ALASKA'S ECONOMY

Institute of Social & Economic Research

Presentation: What Do We Know About the Alaska

Economy and Where is it Heading?

Northern Economics

Presentation: Forecasting Alaska's Economy

2016 - 2027

-- Testimony <Invitation Only> --

Jan 19 Thursday Butrovich 205 1:30 PM

-- Location Change --

+ MOVING ALASKA'S ECONOMY FORWARD

Panel of Experts:

Institute of Social & Economic Research

Northern Economics

Alaska Housing Finance Corporation

Northrim Bank

Department of Labor and Workforce Development

-- Testimony <Invitation Only> --

Jan 24 Tuesday Beltz 105 (tsbldg) 1:30 PM

ECONOMIC INDICATORS & TRENDS

Alaska Travel Industry Association

Presentation: Alaska Tourism Industry and Trends Department of Transportation & Public Facilities

Presentation: Alaska International Airport

System - An Economic Engine

Division of Insurance

Presentation: Alaska's Health Care Insurance

Market

-- Testimony <Invitation Only> --

LABOR & COMMERCE (continued)

	Beltz 105 (tsbldg)	1:30 PM			
STRATEGY FOR ALASKA'S ECONOMY					
Alaska Regional Development Organizations					
Anchorage Economic Development Corporation					
					Southeast Conference
Department of Commerce, Community, & Economic					
Development	•				
Presentation: Northern Opportunity: Alaska's					
Economic Strategy					
Testimony <invitation c<="" th=""><th>Only></th><th></th></invitation>	Only>				
RESOURCES					
	Alaska Regional Developm Anchorage Economic Deve Fairbanks Economic Deve Southeast Conference Department of Commerce Development Presentation: Northern Op Economic Strategy Testimony <invitation c<="" td=""><td>Alaska Regional Development Organizations Anchorage Economic Development Corporation Fairbanks Economic Development Corporation Southeast Conference Department of Commerce, Community, & Economic Development Presentation: Northern Opportunity: Alaska's Economic Strategy Testimony <invitation only=""></invitation></td></invitation>	Alaska Regional Development Organizations Anchorage Economic Development Corporation Fairbanks Economic Development Corporation Southeast Conference Department of Commerce, Community, & Economic Development Presentation: Northern Opportunity: Alaska's Economic Strategy Testimony <invitation only=""></invitation>			

Jan 23	Monday Testimony <invitation only<="" th=""><th>Butrovich 205</th><th>3:30 PM</th></invitation>	Butrovich 205	3:30 PM			
+	Update: Alaska LNG Project	<i>_</i>				
Jan 25 +	Wednesday Testimony <invitation affordable="" alaska="" authority:="" energy="" only="" pres="" strategy<="" th=""><th></th><th>3:30 PM</th></invitation>		3:30 PM			
Jan 27	Friday No Meeting Scheduled	Butrovich 205	3:30 PM			
RULES						
Jan 18	Wednesday Teleconference <listen meeting<="" onl="" organizational="" th=""><th>Butrovich 205 y></th><th>1:30 PM</th></listen>	Butrovich 205 y>	1:30 PM			

JOINT COMMITTEES

SELECT COMMITTEE ON LEGISLATIVE ETHICS

Jan 24	Tuesday Location TBA	8:30 AM	
	MEETING CANCELED		
+	Call to Order		
	Welcome New Legislators & Public Members		
	Approval of Minutes		
	a. August 18, 2016 Full Committee		
	b. August 18, 2016 Senate Committee		
	c. August 18, 2016 House Committee		
	Public Comment		
	Election of Committee Chairs for 2017-18		
	Chair / Staff Report		
	a. Comments from Administrator		
	b. Informal Advice Staff Report		
	c. Ethics Training		
	- 2016 Final Numbers		
	- 2017 Training Update		
	d. Ethics Disclosures		
	e. COGEL Conference Report		
	- Comments from Conner Thomas, Skip Cook, and		
	Jerry D. Anderson		
	f. Publications		
	 Advisory Opinions & Public Decisions 		
	- 2017 Standards of Conduct Handbook		
	Annual Benefit and Loan Review		
	Executive Session		
	Public Session		
	- 2017 Standards of Conduct Handbook Annual Benefit and Loan Review Executive Session		

Other Business