

SENATE JOURNAL
ALASKA STATE LEGISLATURE
THIRTIETH LEGISLATURE
FIRST SESSION

Juneau, Alaska

Wednesday

March 15, 2017

Fifty-eighth Day

Pursuant to adjournment the Senate was called to order by President Kelly at 11:09 a.m.

The roll showed twenty members present.

The prayer was offered by the Chaplain, The Reverend Gordon Blue, Holy Trinity Episcopal Church. Senator Hoffman moved and asked unanimous consent that the prayer be spread. Without objection, it was so ordered.

The sacrifice of God is a troubled spirit; a broken and contrite heart, O God, you will not despise.

Creator God, I thank you for the gift of Psalm 51, which is in our lection today, and for the blessing of a contrite heart, valid from the time of David's reign, through the generations.

Lord, I thank you that when you act there is justice and love, and your property is always to have mercy.

Have mercy on us Lord. We have not done what we should, and we have done what we should not have done, and we have not loved our neighbors as ourselves.

Create in us a clean heart, O God, and renew a right spirit within us.

Give us the joy of your saving help again and sustain us with your bountiful Spirit.

Grant us mercy, Lord, grant these women and men, our Senators, The light of your mercy in the exercise of their duties that this may bring goodness to the people of Alaska, whom they have come here to serve. Amen.

(Psalm 51:11, 13, 18)

Senator Hoffman led the Senate in the Pledge of Allegiance.

Certification

Senator Micciche moved and asked unanimous consent that the journals for the fifty-sixth and fifty-seventh legislative days be approved as certified by the Secretary. Without objection, it was so ordered.

Messages from the House

Message dated March 13 was read stating the House passed and transmitted for consideration:

First Reading and Reference of House Bills

HB 23

CS FOR HOUSE BILL NO. 23(FIN) am BY THE HOUSE FINANCE COMMITTEE, entitled:

"An Act creating a fund in the Department of Public Safety; providing for payment of certain medical insurance premiums for surviving dependents of certain peace officers or firefighters who die in the line of duty; relating to contributions from permanent fund dividends to the peace officer and firefighter survivors' fund; and providing for an effective date."

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

Communications

Disclosure letters received from the Select Committee on Legislative Ethics, in accordance with AS 24.60, will be published in Senate Journal Supplement No. 3 and House and Senate Joint Journal Supplement No. 7.

The following report is on file in the Office of the Secretary of the Senate:

Department of Commerce, Community and Economic Development
2016 Report on Economic Growth due to Business and Industrial
Development Corporations (BIDCO)
in accordance with AS 10.13.590

Standing Committee Reports

Report dated March 13 was read stating:

In accordance with AS 39.05.080, the Resources Committee reviewed the following and recommends the appointments be forwarded to a joint session for consideration:

Board of Fisheries

Frederick (Fritz) Johnson – Dillingham
John Jensen – Petersburg
Reed Morisky – Fairbanks

This does not reflect an intent by any of the members to vote for or against the confirmation of the individuals during any further sessions.

Signing the report: Senator Giessel, Chair; Senators Wielechowski, Hughes, von Imhof, Stedman, Meyer.

Report dated March 14 was read stating:

In accordance with AS 39.05.080, the State Affairs Committee reviewed the following and recommends the appointments be forwarded to a joint session for consideration:

Alaska Police Standards Council
Bryce Johnson – Juneau

Alaska Public Offices Commission
Adam Schwemley – Palmer
Robert Clift – Anchorage

This does not reflect an intent by any of the members to vote for or against the confirmation of the individuals during any further sessions.

Signing the report: Senator Dunleavy, Chair; Senators Egan, Coghill, Giessel, Wilson.

Report dated March 15 was read stating:

In accordance with AS 39.05.080, the Education Committee reviewed the following and recommends the appointments be forwarded to a joint session for consideration:

Professional Teaching Practices Commission
Maureen van Wagner – Anchorage

University of Alaska Board of Regents
Karen Perdue – Fairbanks

This does not reflect an intent by any of the members to vote for or against the confirmation of the individuals during any further sessions.

Signing the report: Senator Hughes, Chair; Senators Begich, Giessel, Stevens, Coghill.

Reports dated March 15 were read stating:

In accordance with AS 39.05.080, the Finance Committee reviewed the following and recommends the appointments be forwarded to a joint session for consideration:

University of Alaska Board of Regents
Karen Perdue – Fairbanks
Mary Hughes – Anchorage

Alaska Mental Health Trust Authority Board of Trustees
Christopher Cooke – Anchorage

This does not reflect an intent by any of the members to vote for or against the confirmation of the individuals during any further sessions.

Signing the report: Senators Hoffman, MacKinnon, Cochairs; Senators Bishop, von Imhof, Dunleavy, Olson, Micciche.

SB 4

The Labor and Commerce Committee considered SPONSOR SUBSTITUTE FOR SENATE BILL NO. 4 "An Act relating to the Board of Barbers and Hairdressers; relating to a limited license to practice non-chemical barbering; relating to a license to practice hair braiding; relating to the Department of Environmental Conservation; and providing for an effective date." Signing do pass: Senator Costello, Chair. Signing no recommendation: Senators Hughes, Meyer, Stevens, Gardner.

The following fiscal information was published today:

Fiscal Note No. 1, Department of Commerce, Community

and Economic Development

Fiscal Note No. 2, zero, Department of Environmental

Conservation

The bill was referred to the Finance Committee.

SB 16

The Labor and Commerce Committee considered SENATE BILL NO. 16 "An Act adopting and relating to the Revised Uniform Fiduciary Access to Digital Assets Act." Signing do pass: Senator Costello, Chair; Senators Hughes, Meyer, Stevens, Gardner.

The following fiscal information was published today:

Fiscal Note No. 1, zero, Department of Law

The bill was referred to the Judiciary Committee.

SB 17

President Kelly added a Finance Committee referral to 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."

The bill was referred to the Finance Committee.

SB 31

The State Affairs Committee considered SENATE BILL NO. 31 "An Act relating to compensation, merit increases, and pay increments for certain public officials, officers, and employees not covered by collective bargaining agreements; and providing for an effective date." Signing no recommendation: Senator Dunleavy, Chair; Senators Coghill, Giessel. Signing do not pass: Senator Egan. Signing amend: Senator Wilson.

The following previously published fiscal information applies:

Fiscal Note No. 1, Office of the Governor

The bill was referred to the Finance Committee.

SB 32

The Labor and Commerce Committee considered SENATE BILL NO. 32 "An Act relating to biological products; relating to the practice of pharmacy; relating to the Board of Pharmacy; and providing for an effective date." Signing do pass: Senator Costello, Chair; Senators Hughes, Meyer, Stevens, Gardner.

The following previously published fiscal information applies:

Fiscal Note No. 1, Department of Commerce, Community and Economic Development

President Kelly added a Finance Committee referral to the bill.

The bill was referred to the Finance Committee.

HB 77

The Judiciary Committee considered HOUSE BILL NO. 77 am "An Act making corrective amendments to the Alaska Statutes as recommended by the revisor of statutes; and providing for an effective date." Signing do pass: Senator Coghill, Chair; Senator Meyer. Signing no recommendation: Senators Kelly, Costello, Wielechowski.

The following previously published fiscal information applies:

Fiscal Note No. 1, zero, Department of Law

The bill was referred to the Rules Committee.

HB 80

The Finance Committee considered CS FOR HOUSE BILL NO. 80(ENE) "An Act adopting the Municipal Property Assessed Clean Energy Act; authorizing municipalities to establish programs to impose assessments for energy improvements in regions designated by municipalities; imposing fees; and providing for an effective date" and recommended it be replaced with

SENATE CS FOR CS FOR HOUSE BILL
NO. 80(FIN)

Signing do pass: Senator Hoffman, Cochair. Signing no recommendation: Senator MacKinnon, Cochair; Senators von Imhof, Dunleavy, Olson, Micciche.

The following previously published fiscal information applies:

Fiscal Note No. 1, zero, Department of Commerce,
Community and Economic Development

The bill was referred to the Rules Committee.

HB 104

The Judiciary Committee considered HOUSE BILL NO. 104 "An Act relating to collecting information about civil litigation by the Alaska Judicial Council; repealing Rule 41(a)(3), Alaska Rules of Civil Procedure, and Rules 511(c) and (e), Alaska Rules of Appellate Procedure; and providing for an effective date." Signing do pass: Senator Coghill, Chair; Senators Wielechowski, Costello, Kelly, Meyer.

The following previously published fiscal information applies:

Fiscal Note No. 1, zero, Alaska Judiciary System
Fiscal Note No. 2, zero, Department of Law

The bill was referred to the Rules Committee.

Consideration of the Calendar

Third Reading of Senate Bills

SB 26

CS FOR SENATE BILL NO. 26(FIN) "An Act relating to an appropriation limit; relating to the budget responsibilities of the governor; relating to the Alaska permanent fund, 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 and payment of permanent fund dividends; and providing for an effective date" was read the third time.

Senator Micciche moved that the bill be returned to second reading for the purpose of all amendments offered today. Without objection, the bill was returned to second reading.

Senator Dunleavy offered Amendment No. 1:

Page 1, line 5, following "dividends;":

Insert "**increasing the amount of the 2016 permanent fund dividend and directing the Department of Revenue to pay a supplemental dividend to eligible individuals;**"

Page 1, line 9, following the second occurrence of "the":

Insert "(1)"

Page 1, line 11, following "years":

Insert: ";

(2) sum of \$683,234,813 be appropriated from the earnings reserve account (AS 37.13.145) to the dividend fund (AS 43.23.045(a)) for the payment of supplemental 2016 permanent fund dividends to eligible individuals who received a 2016 permanent fund dividend."

Page 8, following line 15:

Insert a new bill section to read:

"* **Sec. 19.** The uncodified law of the State of Alaska is amended by adding a new section to read:

2016 PERMANENT FUND DIVIDEND. The commissioner of revenue shall pay a supplemental 2016 permanent fund dividend to each eligible individual who received a 2016 permanent fund dividend. The commissioner shall determine the total amount of the dividend by dividing the amount appropriated by the Thirtieth Alaska State Legislature from the earnings reserve account (AS 37.13.145) to the dividend fund (AS 43.23.045(a)) for payment of supplemental 2016 permanent fund dividends by the number of individuals who received a 2016 permanent fund dividend."

Renumber the following bill sections accordingly.

Page 8, following line 21:

Insert a new bill section to read:

"* **Sec. 21.** CONTINGENCY. Section 19 of this Act is contingent on passage by the Thirtieth Alaska State Legislature and enactment into law before May 1, 2017, of an appropriation from the earnings reserve account (AS 37.13.145) to the dividend fund (AS 43.23.045(a)) for the payment of supplemental 2016 permanent fund dividends."

Renumber the following bill sections accordingly.

Page 8, line 22:

Delete all material and insert:

"* **Sec. 22.** Sections 19 - 21 of this Act take effect immediately under AS 01.10.070(c)."

Page 8, line 24:

Delete "secs. 20 and 21"

Insert "secs. 22 and 23"

Senator Dunleavy moved and asked unanimous consent for the adoption of Amendment No. 1. Senator MacKinnon objected.

Senator Meyer moved to table Amendment No. 1.

The question being: "Shall Amendment No. 1 be tabled?" The roll was taken with the following result:

CSSB 26(FIN)
Second Reading
Lay Amendment No. 1 on the Table?

YEAS: 16 NAYS: 4 EXCUSED: 0 ABSENT: 0

Yea: Bishop, Coghill, Costello, Dunleavy, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Olson, Stedman, Stevens, von Imhof, Wilson

Nay: Begich, Egan, Gardner, Wielechowski

and so, Amendment No. 1 was tabled.

Senators Wielechowski, Gardner, Begich offered Amendment No. 2:

Page 2, lines 12 - 17:

Delete all material and insert:

"(b) The appropriation limit in (a) of this section does not apply to

- (1) an appropriation
 - (A) to the Alaska permanent fund;
 - (B) required to pay debt obligations of the state; or
 - (C) for a capital project; or
- (2) a transfer for payment of permanent fund dividends."

Page 4, line 5:

Delete "AS 37.13.146(a)"
Insert "AS 37.13.146"

Page 5, lines 9 - 10:

Delete "an amount that does not exceed the amount available for distribution"

Insert "75 percent of the amount available for distribution as calculated"

Page 5, line 16:

Delete "**Appropriations**"
Insert "**Transfers**"
Delete "(a)"

Page 5, line 17:

Delete "legislature may appropriate"
Insert "corporation shall transfer"

Page 5, line 18:

Delete "general fund"
Insert "earnings reserve account"

Page 5, line 20:

Delete all material.

Page 5, lines 30 - 31:

Delete "**appropriated** [OF INCOME OF THE ALASKA PERMANENT FUND TRANSFERRED]"
Insert "[OF INCOME OF THE ALASKA PERMANENT FUND] transferred"

Page 6, line 25:

Delete "**appropriated**"
Insert "**transferred**"

Page 6, line 28, through page 8, line 12:

Delete all material.

Renumber the following bill sections accordingly.

Page 8, line 22:

Delete "Section 19"
Insert "Section 18"

Page 8, line 24:

Delete "secs. 20 and 21"
Insert "secs. 19 and 20"

Senator Wielechowski moved and asked unanimous consent for the adoption of Amendment No. 2. Senator MacKinnon objected.

The question being: "Shall Amendment No. 2 be adopted?" The roll was taken with the following result:

CSSB 26(FIN)
Second Reading
Amendment No. 2?

YEAS: 8 NAYS: 12 EXCUSED: 0 ABSENT: 0

Yea: Begich, Dunleavy, Egan, Gardner, Hughes, Olson, Wielechowski, Wilson

Nay: Bishop, Coghill, Costello, Giessel, Hoffman, Kelly, MacKinnon, Meyer, Micciche, Stedman, Stevens, von Imhof

and so, Amendment No. 2 failed.

Senator Wielechowski offered Amendment No. 3:

Page 1, line 5, following "dividends;":

Insert "**authorizing an advisory vote on legislative action that changes the appropriation limit, changing the deposit into the Alaska permanent fund, the calculation of the permanent fund dividend, the calculation of net income, and the amount available for distribution from the earnings reserve account; making the legislative action contingent on the advisory vote receiving an affirmative majority vote;**"

Page 6, lines 20 - 22:

Delete all material.

Renumber the following bill sections accordingly.

Page 8, line 15:

Delete all material.

Renumber the following bill sections accordingly.

Page 8, lines 22 - 25:

Delete all material and insert:

*** Sec. 18.** The uncodified law of the State of Alaska is amended by adding a new section to read:

ADVISORY VOTE. At a special election to be held on September 12, 2017, in substantial compliance with the election laws of the state, including absentee voting and the preparation, publication, and mailing of an election pamphlet under AS 15.58, the lieutenant governor shall place before the qualified voters of the state a question advisory to the legislature and the governor. The election pamphlet for the special election must comply with AS 15.58.020(a)(6), including the requirement that the pamphlet contain statements that advocate voter approval or rejection of the question. Notwithstanding AS 15.80.005 and other laws relating to preparation of the ballot proposition, the question shall appear on the ballot in the following form:

Q U E S T I O N

Do you approve of the passage by the Alaska State Legislature of a bill that changes the appropriation limit, changes the deposit into the Alaska permanent fund, changes the calculation of the permanent fund dividend, and changes the calculation of net income and the amount available for distribution from the earnings reserve account established under AS 37.13.145?

Yes [] No []

*** Sec. 19.** The uncodified law of the State of Alaska is amended by adding a new section to read:

NOTICE TO THE REVISOR OF STATUTES. The director of elections shall notify the revisor of statutes when the results of the election have been certified under AS 15.15.450 if the advisory vote authorized in sec. 18 of this Act receives an affirmative majority vote.

*** Sec. 20.** The uncodified law of the State of Alaska is amended by adding a new section to read:

CONDITIONAL EFFECT. Sections 1 - 17 of this Act take effect only if the director of elections notifies the revisor of statutes under sec. 19 of this Act that the question in the advisory vote under sec. 18 of this Act received an affirmative majority vote.

*** Sec. 21.** If, under sec. 20 of this Act, secs. 1 - 17 of this Act take effect, they take effect on July 1 in the year following the year in which the notice is given under sec. 19 of this Act.

* **Sec. 22.** Sections 17 and 18 of this Act take effect immediately under AS 01.10.070(c).

* **Sec. 23.** Section 8 of this Act takes effect July 1, 2020.

* **Sec. 24.** Except as provided in secs. 21 - 23 of this Act, this Act takes effect July 1, 2017."

Senator Wielechowski moved for the adoption of Amendment No. 3. Senator MacKinnon objected.

The question being: "Shall Amendment No. 3 be adopted?" The roll was taken with the following result:

CSSB 26(FIN)
Second Reading
Amendment No. 3?

YEAS: 7 NAYS: 13 EXCUSED: 0 ABSENT: 0

Yea: Begich, Dunleavy, Egan, Hughes, Olson, Wielechowski, Wilson

Nay: Bishop, Coghill, Costello, Gardner, Giessel, Hoffman, Kelly, MacKinnon, Meyer, Micciche, Stedman, Stevens, von Imhof

and so, Amendment No. 3 failed.

Senator Wielechowski offered Amendment No. 4:

Page 2, following line 4:

Insert new bill sections to read:

"* **Sec. 3.** AS 37.05.540(a), as amended by sec. 2 of this Act, is amended to read:

(a) There is established as a separate fund in the state treasury the budget reserve fund. The budget reserve fund consists of appropriations to the fund. Money received by the state that is subject to the appropriation limit under (b) of this section and that exceeds that limit may be appropriated to the budget reserve fund.

* **Sec. 4.** AS 37.05.540 is amended by adding new subsections to read:

(f) Except for appropriations to the permanent fund or for Alaska permanent fund dividends, appropriations to the budget reserve fund, appropriations of revenue bond proceeds, appropriations required to pay the principal and interest on general obligation bonds, and appropriations of money received from a nonstate source in trust for a specific purpose, including revenue of a public enterprise or public corporation of the state that issues revenue bonds, appropriations from the mental health trust settlement income account (AS 37.14.036), and appropriations made to the mental health trust fund (AS 37.14.031), appropriations from the treasury made in a fiscal year may not exceed appropriations made in the preceding fiscal year by more than five percent plus the change in population and inflation since the beginning of the preceding fiscal year. For purposes of applying this limit, an appropriation is considered to be made in the fiscal year in which it is enacted and a reappropriation remains attributed to the fiscal year in which the original appropriation is enacted. The determination of the change in population for purposes of this subsection shall be based on an annual estimate of population by the Department of Labor and Workforce Development. The determination of the change in inflation for purposes of this subsection shall be based on the Consumer Price Index for all urban consumers for Anchorage prepared by the United States Bureau of Labor Statistics. The amount of money received by the state that is subject to the appropriation limit includes the balance in the general fund carried forward from the preceding fiscal year.

(g) If the legislature determines that the money subject to the appropriation limit received by the state in a fiscal year is less than the maximum permitted to be appropriated under (f) of this section, up to 25 percent of the balance of the budget reserve fund may be appropriated to the general fund.

(h) Notwithstanding other provisions of this section, appropriations may be made from the budget reserve fund needed by the governor to meet a disaster. In this subsection, "disaster" has the meaning given in AS 26.23.900."

Renumber the following bill sections accordingly.

Page 3, following line 13:

Insert a new bill section to read:

"* **Sec. 8.** AS 37.13.010(a), as amended by sec. 7 of this Act, is amended to read:

(a) Under art. IX, sec. 15, of the state constitution, there is established as a separate fund the Alaska permanent fund. The Alaska permanent fund consists of

(1) 25 percent of all mineral lease rentals, royalties, royalty sale proceeds, net profit shares under AS 38.05.180(f) and (g), and federal mineral revenue sharing payments received by the state from mineral leases issued on or before December 1, 1979, and 25 percent of all bonuses received by the state from mineral leases issued on or before February 15, 1980;

(2) 50 percent of all mineral lease rentals, royalties, royalty sale proceeds, net profit shares under AS 38.05.180(f) and (g), and federal mineral revenue sharing payments received by the state from mineral leases issued after December 1, 1979, and 50 percent of all bonuses received by the state from mineral leases issued after February 15, 1980;

and

(3) [(2)] any other money appropriated to or otherwise allocated by law or former law to the Alaska permanent fund."

Renumber the following bill sections accordingly.

Page 3, following line 25:

Insert a new bill section to read:

"* **Sec. 10.** AS 37.13.140, as amended by sec. 9 of this Act, is amended to read:

Sec. 37.13.140. Income. Net income of the fund includes income of the earnings reserve account established under AS 37.13.145. Net [THE CORPORATION SHALL DETERMINE THE NET] income of the fund shall be computed annually as of the last day of the fiscal year in accordance with generally accepted accounting principles, excluding any unrealized gains or losses. Income available for distribution equals 21 percent of the net income of the fund for the last five fiscal years, including the fiscal year just ended, but may not exceed net income of the fund for the fiscal year just ended plus the balance in the earnings reserve account described in AS 37.13.145."

Renumber the following bill sections accordingly.

Page 4, lines 17 - 26:
Delete all material.

Renumber the following bill sections accordingly.

Page 5, following line 6:
Insert a new bill section to read:
"* **Sec. 13.** AS 37.13.145(d), as amended by sec. 12 of this Act, is amended to read:

(d) **Notwithstanding (g) of this section, income** [INCOME] earned on money awarded in or received as a result of State v. Amerada Hess, et al., 1JU-77-847 Civ. (Superior Court, First Judicial District), including settlement, summary judgment, or adjustment to a royalty-in-kind contract that is tied to the outcome of this case, or interest earned on the money, or on the earnings of the money shall be treated in the same manner as other income of the Alaska permanent fund, except that it is not available for distribution **to the dividend fund or for transfers to the principal** under **(h) of this section** [AS 37.13.140(b) AND (c)], and shall be annually deposited into the Alaska capital income fund (AS 37.05.565)."

Renumber the following bill sections accordingly.

Page 5, following line 14:
Insert a new bill section to read:
"* **Sec. 15.** AS 37.13.145 is amended by adding new subsections to read:

(g) At the end of each fiscal year, the corporation shall transfer from the earnings reserve account to the dividend fund established under AS 43.23.045 50 percent of the income available for distribution under AS 37.13.140.

(h) After the transfer under (g) of this section, the corporation shall transfer from the earnings reserve account to the principal of the fund an amount sufficient to offset the effect of inflation on the principal of the fund during that fiscal year. However, none of the amount transferred shall be applied to increase the value of that portion of the principal attributed to the settlement of State v.

Amerada Hess, et al., 1JU-77-847 Civ. (Superior Court, First Judicial District) on July 1, 2004. The corporation shall calculate the amount to transfer to the principal under this subsection by

- (1) computing the average of the monthly United States Consumer Price Index for all urban consumers for each of the two previous calendar years;
- (2) computing the percentage change between the first and second calendar year average; and
- (3) applying that rate to the value of the principal of the fund on the last day of the fiscal year just ended, including that portion of the principal attributed to the settlement of State v. Amerada Hess, et al., 1JU-77-847 Civ. (Superior Court, First Judicial District)."

Renumber the following bill sections accordingly.

Page 5, following line 24:

Insert a new bill section to read:

"* **Sec. 18.** AS 37.13.300(c), as amended by sec. 17 of this Act, is amended to read:

(c) Net income from the mental health trust fund may not be included in the computation of net income available for distribution under AS 37.13.140 [AS 37.13.140(b)]."

Renumber the following bill sections accordingly.

Page 6, following line 19:

Insert a new bill section to read:

"* **Sec. 20.** AS 43.23.025(a), as amended by sec. 19 of this Act, is amended to read:

(a) By October 1 of each year, the commissioner shall determine the value of each permanent fund dividend for that year by

(1) determining the total amount available for dividend payments, which equals

(A) the amount of income of the Alaska permanent fund transferred [APPROPRIATED] to the dividend fund under AS 37.13.145(g) [AS 37.13.146] during the current year;

(B) plus the unexpended and unobligated balances of prior fiscal year appropriations that lapse into the dividend fund under AS 43.23.045(d);

(C) less the amount necessary to pay prior year dividends from the dividend fund in the current year under AS 43.23.005(h), 43.23.021, and 43.23.055(3) and (7);

(D) less the amount necessary to pay dividends from the dividend fund due to eligible applicants who, as determined by the department, filed for a previous year's dividend by the filing deadline but who were not included in a previous year's dividend computation;

(E) less appropriations from the dividend fund during the current year, including amounts to pay costs of administering the dividend program and the hold harmless provisions of AS 43.23.075;

(2) determining the number of individuals eligible to receive a dividend payment for the current year and the number of estates and successors eligible to receive a dividend payment for the current year under AS 43.23.005(h); and

(3) dividing the amount determined under (1) of this subsection by the amount determined under (2) of this subsection."

Renumber the following bill sections accordingly.

Page 6, following line 27:

Insert a new bill section to read:

"* **Sec. 23.** AS 43.23.045(a), as amended by sec. 22 of this Act, is amended to read:

(a) The dividend fund is established as a separate fund in the state treasury. [THE FUND CONSISTS OF MONEY APPROPRIATED TO IT UNDER AS 37.13.146.] The dividend fund shall be administered by the commissioner and shall be invested by the commissioner in the same manner as provided in AS 37.10.070."

Renumber the following bill sections accordingly.

Page 8, following line 12:

Insert a new bill section to read:

"* **Sec. 25.** AS 43.23.055, as amended by sec. 24 of this Act, is amended to read:

Sec. 43.23.055. Duties of the department. The department shall

(1) annually pay permanent fund dividends from the dividend fund [, WITHOUT FURTHER APPROPRIATION];

(2) subject to AS 43.23.011 and paragraph (8) of this section, adopt regulations under AS 44.62 (Administrative Procedure Act) that establish procedures and time limits for claiming a permanent fund dividend; the department shall determine the number of eligible applicants by October 1 of the year for which the dividend is declared and pay the dividends by December 31 of that year;

(3) adopt regulations under AS 44.62 (Administrative Procedure Act) that establish procedures and time limits for an individual upon emancipation or upon reaching majority to apply for permanent fund dividends not received during minority because the parent, guardian, or other authorized representative did not apply on behalf of the individual;

(4) assist residents of the state, particularly in rural areas, who because of language, disability, or inaccessibility to public transportation need assistance to establish eligibility and to apply for permanent fund dividends;

(5) use a list of individuals ineligible for a dividend under AS 43.23.005(d) provided annually by the Department of Corrections and the Department of Public Safety to determine the number and identity of those individuals;

(6) adopt regulations that are necessary to implement AS 43.23.005(d);

(7) adopt regulations that establish procedures for the parent, guardian, or other authorized representative of a disabled individual to apply for prior year permanent fund dividends not received by the disabled individual because no application was submitted on behalf of the individual;

(8) adopt regulations that establish procedures for an individual to apply to have a dividend disbursement under AS 37.25.050(a)(2) reissued if it is not collected within two years after the date of its issuance; however, the department may not

establish a time limit within which an application to have a disbursement reissued must be filed;

(9) provide any information, upon request, contained in permanent fund dividend records to the child support services agency created in AS 25.27.010, or the child support enforcement agency of another state, for child support purposes authorized under law; if the information is contained in an electronic data base, the department shall provide the requesting agency with either

(A) access to the data base; or

(B) a copy of the information in the data base and a statement certifying its contents;

(10) establish a fraud investigation unit for the purpose of assisting the

(A) Department of Law in the prosecution of individuals who apply for or obtain a permanent fund dividend in violation of a provision in AS 11, by detecting and investigating those crimes; and

(B) commissioner to detect and investigate the claiming or paying of permanent fund dividends that should not have been claimed by or paid to an individual and to impose the penalties and enforcement provisions under AS 43.23.035."

Renumber the following bill sections accordingly.

Page 8, following line 14:

Insert a new bill section to read:

**** Sec. 27.** AS 37.05.545; AS 37.07.020(f); AS 37.13.140(b), 37.13.140(c), 37.13.145(e), 37.13.145(f), 37.13.146; and AS 43.23.025(c) are repealed July 1, 2020."

Renumber the following bill sections accordingly.

Page 8, line 22:

Delete "Section 19"

Insert "Section 29"

Page 8, line 23:

Delete all material and insert:

"* **Sec. 31.** Sections 3, 4, 8, 10, 13, 15, 18, 20, 23, and 25 of this Act take effect July 1, 2020."

Page 8, line 24:

Delete "secs. 20 and 21"

Insert "secs. 30 and 31"

Senator Wielechowski moved for the adoption of Amendment No. 4. Senator MacKinnon objected.

The question being: "Shall Amendment No. 4 be adopted?" The roll was taken with the following result:

CSSB 26(FIN)

Second Reading

Amendment No. 4?

YEAS: 7 NAYS: 13 EXCUSED: 0 ABSENT: 0

Yea: Begich, Dunleavy, Egan, Hughes, Olson, Wielechowski, Wilson

Nay: Bishop, Coghill, Costello, Gardner, Giessel, Hoffman, Kelly, MacKinnon, Meyer, Micciche, Stedman, Stevens, von Imhof

and so, Amendment No. 4 failed.

CS FOR SENATE BILL NO. 26(FIN) was automatically in third reading.

The question being: "Shall CS FOR SENATE BILL NO. 26(FIN) "An Act relating to an appropriation limit; relating to the budget responsibilities of the governor; relating to the Alaska permanent fund, 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 and payment of permanent fund dividends; and providing for an effective date" pass the Senate?" The roll was taken with the following result:

CSSB 26(FIN)

Third Reading - Final Passage

YEAS: 13 NAYS: 7 EXCUSED: 0 ABSENT: 0

Yea: Bishop, Coghill, Costello, Egan, Giessel, Hoffman, Kelly, MacKinnon, Meyer, Micciche, Stedman, Stevens, von Imhof

Nay: Begich, Dunleavy, Gardner, Hughes, Olson, Wielechowski, Wilson

and so, CS FOR SENATE BILL NO. 26(FIN) passed the Senate.

Senator Micciche moved for the adoption of the effective date clauses.

The question being: "Shall the effective date clauses be adopted?" The roll was taken with the following result:

CSSB 26(FIN)

Effective Date Clauses

YEAS: 16 NAYS: 4 EXCUSED: 0 ABSENT: 0

Yea: Bishop, Coghill, Costello, Dunleavy, Egan, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Stedman, Stevens, von Imhof, Wilson

Nay: Begich, Gardner, Olson, Wielechowski

and so, the effective date clauses were adopted.

Reconsideration of Senate Bills

SB 26

Senator Micciche gave notice of reconsideration on CS FOR SENATE BILL NO. 26(FIN) "An Act relating to an appropriation limit; relating to the budget responsibilities of the governor; relating to the Alaska permanent fund, 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 and payment of permanent fund dividends; and providing for an effective date" and moved and asked unanimous consent that it be taken up. Senator Gardner objected.

The question being: "Shall the reconsideration be taken up the same day?" The roll was taken with the following result:

CSSB 26(FIN)

Take up Reconsideration Same Day?

YEAS: 15 NAYS: 5 EXCUSED: 0 ABSENT: 0

Yea: Bishop, Coghill, Costello, Dunleavy, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Stedman, Stevens, von Imhof, Wilson

Nay: Begich, Egan, Gardner, Olson, Wielechowski

and so, the bill was before the Senate on reconsideration.

The question to be reconsidered: "Shall CS FOR SENATE BILL NO. 26(FIN) "An Act relating to an appropriation limit; relating to the budget responsibilities of the governor; relating to the Alaska permanent fund, 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 and payment of permanent fund dividends; and providing for an effective date" pass the Senate?" The roll was taken with the following result:

CSSB 26(FIN)

Third Reading - On Reconsideration

YEAS: 12 NAYS: 8 EXCUSED: 0 ABSENT: 0

Yea: Bishop, Coghill, Costello, Giessel, Hoffman, Kelly, MacKinnon, Meyer, Micciche, Stedman, Stevens, von Imhof

Nay: Begich, Dunleavy, Egan, Gardner, Hughes, Olson, Wielechowski, Wilson

and so, CS FOR SENATE BILL NO. 26(FIN) passed the Senate on reconsideration.

Senator Micciche moved for the adoption of the effective date clauses.

The question being: "Shall the effective date clauses be adopted?" The roll was taken with the following result:

CSSB 26(FIN)
Effective Date Clauses

YEAS: 15 NAYS: 5 EXCUSED: 0 ABSENT: 0

Yea: Bishop, Coghill, Costello, Dunleavy, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Stedman, Stevens, von Imhof, Wilson

Nay: Begich, Egan, Gardner, Olson, Wielechowski

and so, the effective date clauses were adopted and the bill was referred to the Secretary for engrossment.

Citations

Honoring - Roxy Wright

Senator(s) Coghill, Bishop, Kelly, Begich, Costello, Dunleavy, Egan, Gardner, Giessel, Hoffman, Hughes, MacKinnon, Meyer, Micciche, Olson, Stedman, Stevens, von Imhof, Wielechowski, Wilson

Honoring - University of Alaska Fairbanks Centennial

Representative(s) Kawasaki, Wool

Senator(s) Kelly, Bishop, Begich, Coghill, Costello, Dunleavy, Egan, Gardner, Giessel, Hoffman, Hughes, MacKinnon, Meyer, Micciche, Olson, Stedman, Stevens, von Imhof, Wielechowski, Wilson

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

Senator Micciche 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 - Joseph Chaney

Representative(s) Edgmon

Senator(s) Hoffman, Kelly, Begich, Bishop, Coghill, Costello, Dunleavy, Egan, Gardner, Giessel, Hughes, MacKinnon, Meyer, Micciche, Olson, Stedman, Stevens, von Imhof, Wielechowski, Wilson

Senator Micciche 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

Senator Stevens moved and asked unanimous consent to be excused from a call of the Senate from 2:00 p.m. plane time, March 19 through 9:30 a.m. plane time, March 23. Without objection, Senator Stevens was excused.

Senator Dunleavy moved and asked unanimous consent to be excused from a call of the Senate from afternoon plane time, March 17 through evening plane time, March 19. Without objection, Senator Dunleavy was excused.

Senator Coghill moved and asked unanimous consent to be excused from a call of the Senate from 8:00 p.m. plane time, March 17 through 9:45 p.m. plane time, March 19. Without objection, Senator Coghill was excused.

Senator Meyer moved and asked unanimous consent to be excused from a call of the Senate from afternoon plane time, March 17 through plane time, March 19. Without objection, Senator Meyer was excused.

Announcements

Announcements are at the end of the journal.

Engrossment

SB 26

CS FOR SENATE BILL NO. 26(FIN) "An Act relating to an appropriation limit; relating to the budget responsibilities of the governor; relating to the Alaska permanent fund, 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 and payment of permanent fund dividends; and providing for an effective date" was engrossed, signed by the President and Secretary and transmitted to the House for consideration.

Adjournment

Senator Micciche moved and asked unanimous consent that the Senate stand in adjournment until 11:00 a.m., March 16, 2017. Without objection, the Senate adjourned at 3:08 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

COMMUNITY & REGIONAL AFFAIRS

Mar 16 Thursday **Beltz 105 (tsbldg)** **3:30 PM**
+ HB 8 ENFORCEMENT OF FOREIGN PROTECTIVE ORDERS
+ SB 77 SECOND CLASS BOROUGH SERVICE AREAS

EDUCATION

Mar 15 Wednesday **Butrovich 205** **8:00 AM**
+ Confirmation Hearings:
 Karen Perdue
 Maureen Van Wagner

Mar 17 Friday **Butrovich 205** **8:00 AM**
No Meeting Scheduled

FINANCE

Mar 15 Wednesday **Senate Finance 532** **9:00 AM**
-- Meeting Postponed to 9:30 a.m. --
-- Time Change --
+ Confirmation Hearings:
 State Assessment Review Board - Wendy Lawrence
 Alaska Mental Health Trust Authority Board of
 Trustees - Christopher Cooke
 University of Alaska Board of Regents - Karen
 Perdue and Mary Hughes
+ Bills Previously Heard/Scheduled

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FINANCE (continued)

Mar 15	Wednesday	Senate Finance 532	1:00 PM
		-- Meeting Postponed to 3:30 p.m. --	
+ = SB 22		APPROP: OPERATING BUDGET/LOANS/FUNDS	
		Public Testimony Rescheduled to Friday 3/17/2017	
+ = SB 24		APPROP: MENTAL HEALTH BUDGET	
		Public Testimony Rescheduled to Friday 3/17/2017	
+		Bills Previously Heard/Scheduled	
Mar 16	Thursday	Senate Finance 532	9:00 AM
+ = SB 22		APPROP: OPERATING BUDGET/LOANS/FUNDS	
		-- Public Testimony --	
+ = SB 24		APPROP: MENTAL HEALTH BUDGET	
		-- Public Testimony --	
+		Bills Previously Heard/Scheduled	
		Public Testimony on SB 22 and SB 24:	
		Written Comments for the Official Public Record	
		Can be Sent to Finance.Committee@akleg.gov	
		9:00 - 10:30 Juneau	
		Break for Lunch	
		1:00 - 2:00 Glennallen, Seward, Homer	
		2:00 - 3:30 Statewide Offnet	
		3:30 - 5:00 Anchorage	
		5:00 - 6:00 Kenai, Kodiak, Dillingham	
Mar 17	Friday	Senate Finance 532	9:00 AM
+ = SB 22		APPROP: OPERATING BUDGET/LOANS/FUNDS	
+ = SB 24		APPROP: MENTAL HEALTH BUDGET	
+		Bills Previously Heard/Scheduled	
Mar 17	Friday	Senate Finance 532	1:30 PM
+ = SB 22		APPROP: OPERATING BUDGET/LOANS/FUNDS	
		-- Public Testimony --	
+ = SB 24		APPROP: MENTAL HEALTH BUDGET	
		-- Public Testimony --	
+		Bills Previously Heard/Scheduled	
		Public Testimony on SB 22 and SB 24:	
		Written Comments for the Official Public Record	
		Can be Sent to Finance.Committee@akleg.gov	
		1:30 - 2:30 Bethel, Nome, Kotzebue, Unalaska	
		2:30 - 3:15 Barrow, Tok, Delta Junction	
		3:15 - 4:15 Ketchikan, Wrangell, Petersburg	
		4:15 - 5:00 Sitka, Cordova, Valdez	
		5:00 - 6:00 Fairbanks, Mat-Su	

HEALTH & SOCIAL SERVICES

Mar 15 **Wednesday** **Butrovich 205** **1:30 PM**
-- Meeting Postponed to 5:30 p.m. --
+ Consideration of Governor's Appointees:
Mental Health Trust Authority Board of Trustees
- Christopher Cooke
-- Public Testimony --
+ Bills Previously Heard/Scheduled

Mar 17 **Friday** **Butrovich 205** **1:30 PM**
+ SB 83 PROTECT: VULNERABLE ADULTS/LONG TERM CARE
-- Public Testimony --
+ Bills Previously Heard/Scheduled

JUDICIARY

Mar 15 **Wednesday** **Beltz 105 (tsbldg)** **1:30 PM**
-- MEETING CANCELED --
+ SB 69 MISCONDUCT INVOLVING WEAPONS 5TH DEGREE
<Bill Hearing Rescheduled to 03/17/17>
+= SB 55 OMNIBUS CRIME/CORRECTIONS
<Bill Hearing Rescheduled to 03/17/17>
+ Bills Previously Heard/Scheduled

Mar 17 **Friday** **Beltz 105 (tsbldg)** **1:30 PM**
+ Bills Previously Heard/Scheduled:
+= SB 55 OMNIBUS CRIME/CORRECTIONS
<Bill Held Over from 03/15/17>
+= SB 69 MISCONDUCT INVOLVING WEAPONS 5TH DEGREE
<Bill Held Over from 03/15/17>

LABOR & COMMERCE

Mar 16 **Thursday** **Beltz 105 (tsbldg)** **1:30 PM**
+ Governor's Appointees to State Boards
& Commissions
Board of Barbers & Hairdressers
Board of Chiropractic Examiners
Board of Dental Examiners
Board of Marital & Family Therapy
(continued on next page)

LABOR & COMMERCE (continued)**(continued from previous page)**

Board of Massage Therapists
Occupational Safety & Health Review Board
State Physical Therapy & Occupational Therapy
Board

Board of Professional Counselors
Board of Psychologists and Psychological
Associate Examiners
Workers' Compensation Appeals Commission
Workers' Compensation Board

-- Public Testimony --

+ SB 71 COMMERCIAL FISHING LOANS

-- Public Testimony --

+ SB 75 LIMITED TEACHER CERTIFICATES; LANGUAGES

-- Public Testimony --

+ Bills Previously Heard/Scheduled

-- Public Testimony --

RESOURCES

Mar 15 Wednesday Butrovich 205 3:30 PM

+ Consideration of Governor's Appointees:

Big Game Commercial Services Board:

- Thomas Atkins

- Tom Sullivan

Commissioner, Department of Natural Resources:

- Andy Mack

-- Public Testimony on Appointees --

Mar 17 Friday Butrovich 205 3:30 PM

+ Presentation on Potential LNG Opportunities in

Houston, Alaska:

- Roger Purcell, Verne Rupright, Dave Nufer

-- Testimony <Invitation Only> --

STATE AFFAIRS

Mar 16	Thursday	Butrovich 205	3:30 PM
+	Review of Governor's Appointees: -- Public Testimony <Limited to 3 Minutes> -- Luis Nieves - Alaska Police Standards Council Ronda Wallace - Alaska Police Standards Council		
+ HB 3	NATL GUARD LEAVE/REEMPLOYMENT RIGHTS -- Testimony <Invitation Only> --		
+	Bills Previously Heard/Scheduled		

TRANSPORTATION

Mar 16	Thursday	Butrovich 205	1:30 PM
+	-- MEETING CANCELED --		
+ SCR 6	COOPER LANDING BYPASS -- Public Testimony --		

FINANCE SUBCOMMITTEES**HEALTH & SOCIAL SERVICES**

Mar 16	Thursday	Senate Finance 532	1:30 PM
+	-- MEETING CANCELED --		

JOINT COMMITTEES**ARMED SERVICES COMMITTEE**

Mar 23	Thursday	Senate Finance 532	11:30 AM
+	Briefings by: Lieutenant General Kenneth S. Wilsbach - Commander, Alaskan North American Aerospace Command Region - Commander, Alaskan Command, U.S. Northern Command - Commander, Eleventh Air Force Major General Bryan R. Owens - Commanding General, U.S. Army AK (continued on next page)		

ARMED SERVICES COMMITTEE (continued)**(continued from previous page)**

Rear Admiral Michael F. McAllister

- Commander, Seventeenth U.S. Coast Guard District

Major General Laurel J. Hummel

- The Adjutant General, AK National Guard

- Commissioner, AK Dept. of Military & Veterans' Affairs

OTHER MEETINGS**MISCELLANEOUS MEETINGS**

Mar 15	Wednesday	Butrovich 205	12:00 PM
	Lunch & Learn: Addressing Opioid Addiction One Reentrant at a Time Presented by Cathleen McLaughlin and Dr. Jyll Green Sponsored by Senator Micciche		
Mar 22	Wednesday	Capitol 106	12:00 PM
	Lunch & Learn: Alaska Chapter of the American Foundation for Suicide Prevention Sponsored by Senator Hoffman		
Mar 28	Tuesday	Butrovich 205	12:00 PM
	Lunch & Learn: Presentation by Coastal Mayors on "Importance of the Alaska Marine Highway System" Sponsored by Senator Stevens		