

SENATE JOURNAL

ALASKA STATE LEGISLATURE

THIRTY-FIRST LEGISLATURE

FIRST SESSION

Juneau, Alaska

Friday

March 1, 2019

Forty-sixth Day

Pursuant to adjournment the Senate was called to order by President Giessel at 10:35 a.m.

The roll showed sixteen members present. Senators Hoffman, Stevens were excused from a call of the Senate. Senators Kawasaki, Olson were absent.

Senator Begich moved and asked unanimous consent Senator Olson be excused from a call of the Senate from morning plane time, March 1 through evening plane time, March 3. Without objection, Senator Olson was excused.

Senator Begich moved and asked unanimous consent Senator Kawasaki be excused from a call of the Senate today. Without objection, Senator Kawasaki was excused.

The prayer was offered by the Chaplain, Pastor Dan Wiese, Church of the Nazarene. Senator Coghill moved and asked unanimous consent the prayer be spread. Without objection, it was so ordered.

Lord, thank you for Your love and grace that reaches out to each one of us. Thank you for the blessing of living in a wonderful state, like Alaska. And Lord, I thank you for each senator in this chamber. I thank you for their families and their staff; and I thank you for all who work in this building to serve this state and its people. Lord, today I would ask for your help in this session, but also in committee meetings and other meetings that you would

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grant divine guidance and divine provision to meet the needs of this body and this state. As they seek wisdom, negotiate bills, navigate through the turbulent waters of budgeting, make decisions about issues that come before them today and the days ahead, I pray for your divine assistance.

I recall the words of Benjamin Franklin at the Constitutional Convention of 1787, "*I have lived, Sir, a long time, and the longer I live, the more convincing proofs I see of this truth—that God governs in the affairs of men. And if a sparrow cannot fall to the ground without his notice, is it probable that an empire can rise without his aid? . . . I therefore beg leave to move, that henceforth prayers imploring the assistance of Heaven, and its blessings on our deliberations, be held in this Assembly.*" It is with those words that brought the convention before God in prayer seeking divine guidance. I would pray for that same divine guidance for this body as they navigate through the challenging waters of issues that lie before them. Be a beacon of hope and help for us this day.

I pray again for each senator and their families. I pray for the burdens they carry and for the concerns that weigh upon their shoulders. I pray for their staff and for all who work in this building, that you would be with them as they serve You through their service to the state of Alaska. In Christ Jesus' name I pray, Amen.

Senator Costello led the Senate in the Pledge of Allegiance.

Certification

Senator Costello moved and asked unanimous consent the journals for the forty-fourth and forty-fifth legislative days be approved as certified by the Secretary. Without objection, it was so ordered.

Messages from the Governor

Letter dated February 27 was read stating in accordance with art. III, secs. 26 and 27 of the Alaska Constitution and AS 39.05.080, I submit the following appointee for confirmation:

Professional Teaching Practices Commission

Chris Reitan – Craig

Appointed: 2/27/2019

Term Expires: 3/1/2020

The appointment was referred to the Education Committee.

The resume for this appointment has been submitted to the Office of the Senate Secretary.

Standing Committee Reports

Report dated February 28 was read stating:

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

Board of Psychologists and Psychological Associate Examiners

Matthew Dammeyer – Soldotna

Board of Marital and Family Therapy

Noah Shields – Kenai

Board of Examiners in Optometry

Dr. Bradley Cross – Soldotna

Occupational Safety and Health Review Board

Vincent Perez – Wasilla

Real Estate Commission

Jesse Sumner – Wasilla

Michael Tavoliero – Eagle River

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Alaska Workers' Compensation Board

Randy Beltz – Anchorage

Bob Doyle – Wasilla

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 Reinbold, Chair; Senators Birch, Bishop, Costello, Gray-Jackson.

Report dated February 28 was read stating:

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

Commissioner, Department of Administration

Kelly Tshibaka

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

Signing the report: Senator Shower, Chair; Senators Reinbold, Micciche, Coghill.

SB 34

The State Affairs Committee considered SENATE BILL NO. 34 "An Act relating to probation; relating to a program allowing probationers to earn credits for complying with the conditions of probation; relating to early termination of probation; relating to parole; relating to a program allowing parolees to earn credits for complying with the conditions of parole; relating to early termination of parole; relating to eligibility for discretionary parole; relating to good time; and providing for an effective date" and recommended it be replaced with

CS FOR SENATE BILL NO. 34(STA)

Signing do pass: Senator Shower, Chair; Senators Reinbold, Micciche.

Signing do not pass: Senator Coghill.

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The following fiscal information was published today:

Fiscal Note No. 4, zero, Alaska Judiciary System

The following previously published fiscal information applies:

Fiscal Note No. 1, zero, Department of Law

Fiscal Note No. 2, indeterminate, Department of Corrections

Fiscal Note No. 3, Department of Corrections

The bill was referred to the Judiciary Committee.

SB 43

The Resources Committee considered SENATE BILL NO. 43 "An Act extending the termination date of the Big Game Commercial Services Board; and providing for an effective date." Signing do pass: Senator Birch, Chair; Senators Kiehl, Coghill, Giessel. Signing no recommendation: Senator Bishop. Signing amend: Senator Reinbold.

The following fiscal information was published today:

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

The bill was referred to the Finance Committee.

**Introduction and Reference of
Senate Resolutions**

SJR 8

SENATE JOINT RESOLUTION NO. 8 BY SENATOR COSTELLO,

Supporting the ratification of the United States-Mexico-Canada Agreement on trade; encouraging the federal Administration to remove the steel and aluminum tariffs on imports from Canada and Mexico; and urging the United States Congress and the federal Administration to call on Canada and Mexico to remove retaliatory tariffs on all goods and services exported from the United States.

was read the first time and referred to the Labor and Commerce Committee.

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Introduction and Reference of Senate Bills

SB 71

SENATE BILL NO. 71 BY THE SENATE RULES COMMITTEE
BY REQUEST OF THE LEGISLATIVE COUNCIL, entitled:

"An Act making corrective amendments to the Alaska Statutes as recommended by the revisor of statutes."

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

SB 72

SENATE BILL NO. 72 BY THE SENATE RULES COMMITTEE
BY REQUEST OF THE GOVERNOR, entitled:

"An Act relating to insurance; relating to an insurer's corporate annual disclosure; relating to insurance company holding systems; and providing for an effective date."

was read the first time and referred to the Labor and Commerce Committee.

The following fiscal information was published today:

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

Governor's transmittal letter dated February 28:

Dear President Giessel:

Under the authority of Article III, Section 18 of the Alaska Constitution, I am transmitting a bill relating to updates to the insurance code and adding new sections providing for a corporate governance annual disclosure. The changes to the insurance code, under this bill, conform to changes in model laws adopted by the National Association of Insurance Commissioners (NAIC) and will assist the state in maintaining its accredited status with the NAIC and improve uniformity nationwide in the regulation of insurance.

Specifically, this bill makes changes to the insurance code relating to AS 21.22 (insurance holding companies), and adds new sections to AS 21.09 (authorization of insurers and general requirements) requiring domestic insurers to provide a corporate governance annual disclosure to the director. These changes conform the insurance code to changes in NAIC model laws and add the new NAIC model law on corporate governance annual disclosure. The bill is described in more detail below.

Section 1 of the bill adds new sections to AS 21.09 requiring domestic insurers to file a corporate governance annual disclosure with the director. Corporate governance is the system under which a company is directed and controlled. The corporate governance annual disclosure will summarize a domestic insurer's corporate governance structure, policies and practices, and is intended to give the director a means of understanding the insurer's corporate governance.

The bill describes the scope and required contents of the corporate annual disclosure, authorizes the director to promulgate regulations, and retain independent consultants. Under the bill the corporate governance annual disclosure and related information will be confidential, as they may contain trade secrets and proprietary information. The bill also provides for penalties to be imposed on an insurer that fails to timely file a corporate governance annual disclosure.

Sections 2 - 4 of the bill make changes to AS 21.22 relating to insurance holding companies. AS 21.22 is based on a NAIC model law. This bill amends AS 21.22 to clarify when a domestic insurer is required to notify the director of a transaction between the domestic insurer and a person in its insurance holding company holding system and makes documents and information obtained by the director, in the course of an investigation or examination under AS 21.22, confidential.

Section 5 of the bill adds a new section to AS 21.22 giving the director the authority to act as the group-wide supervisor of an internationally active insurer or acknowledge another insurance regulatory official as the group-wide supervisor.

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Section 6 of the bill adds two new definitions to AS 21.22 defining terms added to the insurance code in Section 5 of the bill.

By conforming to the changes to the NAIC model laws and adding the new sections, Alaska will remain current with the national standard and maintain its accredited status.

I urge your prompt and favorable action on this measure.

Sincerely,

/s/

Michael J. Dunleavy
Governor

Consideration of the Calendar

Second Reading of Senate Resolutions

SJR 7

SENATE JOINT RESOLUTION NO. 7 Requesting that the United States Department of the Interior Bureau of Land Management implement an oil and gas leasing program in the coastal plain of the Arctic National Wildlife Refuge, was read the second time.

President Giessel stated SENATE JOINT RESOLUTION NO. 7 will advance to third reading on the March 4 calendar.

Citations

Honoring - Hans Roald Amundsen
Representative Knopp
Senators Micciche, Olson

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

Unfinished Business

Senator Stedman moved and asked unanimous consent to be excused from a call of the Senate on March 3 to evening plane time. Without objection, Senator Stedman was excused.

Announcements

Announcements are at the end of the journal.

Adjournment

Senator Costello moved and asked unanimous consent the Senate stand in adjournment until 11:00 a.m., March 4, 2019. Without objection, the Senate adjourned at 10:53 a.m.

Liz Clark
Secretary of the Senate

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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 05	Tuesday	Beltz 105 (tsbldg)	3:30 PM
+	Consideration of Governor's Appointees: Dan Sullivan, Regulatory Commission of Alaska		
Mar 07	Thursday	Beltz 105 (tsbldg)	3:30 PM
	No Meeting Scheduled		

EDUCATION

Mar 05	Tuesday	Butrovich 205	9:00 AM
+= SB 56	MAND. PHYS. ACTIVITY SCHOOLS; PLAAY DAY -- Public Testimony -- -- Teleconference Listen Only -- **Streamed live on AKL.tv**		
+	Bills Previously Heard/Scheduled		
Mar 07	Thursday	Butrovich 205	9:00 AM
+	Bills Previously Heard/Scheduled		

FINANCE

Mar 01	Friday	Senate Finance 532	9:00 AM
+	SB 25	EXTEND BOARD OF DENTAL EXAMINERS	
+	SB 29	EXTEND BOARD OF MARINE PILOTS	
+	SB 36	EXTEND BOARD OF NURSING	
+		Bills Previously Heard/Scheduled	

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FINANCE (continued)

Mar 04	Monday	Senate Finance 532	9:00 AM
	No Meeting Scheduled		
Mar 05	Tuesday	Senate Finance 532	9:00 AM
	No Meeting Scheduled		
Mar 06	Wednesday	Senate Finance 532	9:00 AM
+	Economic Overview of Governor's Proposed Operating Budget by Ed King, Chief Economist, Office of Management & Budget & Dan Robinson, Chief of Research & Analysis, Department of Labor & Workforce Development		
+	Bills Previously Heard/Scheduled		
Mar 07	Thursday	Senate Finance 532	9:00 AM
+	Confirmation of Governor's Appointees: Joe Riggs - AK Mental Health Trust Economic Overview of Governor's Proposed Operating Budget Continued by Mouhcine Guettabi, Economist, Institute of Social & Economic Research, University of Alaska		
+	Bills Previously Heard/Scheduled		
Mar 08	Friday	Senate Finance 532	9:00 AM
+	SB 4 NAMING SCOTT JOHNSON MEMORIAL BRIDGE		
+	SB 16 ALCOHOL LIC:FAIRS,THEATRES,CONCERTS;BONDS		
+	SB 41 NUMBER OF SUPERIOR COURT JUDGES		
+	Bills Previously Heard/Scheduled		

HEALTH & SOCIAL SERVICES

Mar 01	Friday	Butrovich 205	1:30 PM
+= SB 7	MED. ASSISTANCE WORK REQUIREMENT		
+	Bills Previously Heard/Scheduled		
Mar 04	Monday	Butrovich 205	1:30 PM
	No Meeting Scheduled		
Mar 06	Wednesday	Butrovich 205	1:30 PM
	No Meeting Scheduled		

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HEALTH & SOCIAL SERVICES (continued)

Mar 08 Friday **Butrovich 205** **1:30 PM**
No Meeting Scheduled

JUDICIARY

Mar 01 Friday **Beltz 105 (tsbldg)** **1:30 PM**
+ SB 34 PROBATION; PAROLE; SENTENCES; CREDITS
+ Bills Previously Heard/Scheduled
+= SB 12 ASSAULT; SEX OFFENSES; SENTENCING CREDIT

Mar 04 Monday **Beltz 105 (tsbldg)** **1:30 PM**
+= SB 12 ASSAULT; SEX OFFENSES; SENTENCING CREDIT
-- Public Testimony --
+= SB 35 CRIMES;SEX CRIMES;SENTENCING; PAROLE
+= SB 34 PROBATION; PAROLE; SENTENCES; CREDITS
+ Bills Previously Heard/Scheduled

Mar 06 Wednesday **Beltz 105 (tsbldg)** **1:30 PM**
+ Consideration of Governor's Appointees:
- Alaska Judicial Council - Dave Parker
- Board of Governors of the Alaska Bar -
Jedediah Cox
- Commission of Judicial Conduct - Trevor Shaw
- Violent Crimes Compensation Board - John
Francis
+ Bills Previously Heard/Scheduled

Mar 08 Friday **Beltz 105 (tsbldg)** **1:30 PM**
+= SB 35 CRIMES;SEX CRIMES;SENTENCING; PAROLE
-- Public Testimony --
+= SB 34 PROBATION; PAROLE; SENTENCES; CREDITS
+ Bills Previously Heard/Scheduled

LABOR & COMMERCE

Mar 05 Tuesday **Beltz 105 (tsbldg)** **1:30 PM**
+ Consideration of Governor's Appointees:
Real Estate Commission - Ashley Stetson
-- Public Testimony --
+ SB 61 COMM FISHERMEN'S FUND:VESSEL OWNER CLAIMS
-Invited Testimony Followed by Public Testimony-

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LABOR & COMMERCE (continued)

Mar 07	Thursday	Beltz 105 (tsbldg)	1:30 PM
+	Consideration of Governor's Appointees: Board of Certified Direct Entry Midwives - Dr. Dana Espindola -- Public Testimony --		
+	Overview: Licensure in Alaska by: - Sara Chambers, Director Division of Corporations, Business & Professional Licensure - Tammie Perreault, Northwest Regional Liaison, Department of Defense Military Community & Family Policy - Commissioner-Designee General Torrence Saxe		
+	SB 11 MILITARY SPOUSE COURTESY LICENSE -- Testimony <Invitation Only> --		
+	Bills Previously Heard/Scheduled		

RESOURCES

Mar 01	Friday	Butrovich 205	3:30 PM
+	-- MEETING CANCELED -- Bills Previously Heard/Scheduled		
Mar 04	Monday	Butrovich 205	3:30 PM
+	Consideration of Governor's Appointees: Board of Game - Jerry Burnett - Juneau		
+	Presentation: "Building Alaska's Blue Economy - Alaska's College of Fisheries & Ocean Sciences" by Dr. Brad Moran, Dean & Dr. Milo Adkison, Professor - UAF College of Fisheries & Ocean Sciences		
Mar 06	Wednesday	Butrovich 205	3:30 PM
+	Presentation: "Outdoor Recreation Industry: Open for More Business" by: - Lee Hart, Founder, Confluence - Nolan Klouda, Executive Director, University of Alaska, Center for Economic Development (Continued on Next Page)		

RESOURCES (continued)

(Continued from Previous Page)

- Michele Stevens, Petersville Community Non-Profit Corp.
 - Thor Stacey, Alaska Professional Guides Association
 - Mike Hopper, The Lodge at Black Rapids
 - Chris Beck, Alaska Trails/Agnew Beck
 - Rhonda Coston, Yakutat Borough Planner
 - Dan Kirkwood, Visitor Products Cluster, Juneau Economic Development Council

Mar 08 **Friday** **Butrovich 205** **3:30 PM**
No Meeting Scheduled

STATE AFFAIRS

Mar 05 **Tuesday** **Butrovich 205** **3:30 PM**

+ SB 32 CRIMES; SENTENCING; MENT. ILLNESS; EVIDENCE

+ SB 23 APPROP: SUPP. PAYMENTS OF PRIOR YEARS' PFD

-Public Testimony on SB23/24 at Approx. 6:00 pm

Must Call in Prior to 7:00 pm

<Time Limit May Be Set>

+ SB 24 PFD SUPPLEMENTAL PAYMENTS

-Public Testimony on SB23/24 at Approx. 6:00 pm

Must Call in Prior to 7:00 pm

<Time Limit May Be Set>

+ Bills Previously Heard/Scheduled

Mar 07 **Thursday** **Butrovich 205** **3:30 PM**
+= SB 23 APPROP.SUPP. PAYMENTS OF PRIOR YEARS' PFD
-Public Testimony on SB23/24 at Approx. 6:00 pm
Must Call in Prior to 7:00 pm
<Time Limit May Be Set>
+= SB 24 PFD SUPPLEMENTAL PAYMENTS
-Public Testimony on SB23/24 at Approx. 6:00 pm
Must Call in Prior to 7:00 pm
<Time Limit May Be Set>
+= SCR 1 UNIFORM RULE AMENDMENT; BUDGET
+ Bills Previously Heard/Scheduled

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TRANSPORTATION

Mar 05	Tuesday No Meeting Scheduled	Butrovich 205	1:30 PM
Mar 07 +	Thursday Presentation: Alaska Marine Highway System by Matt McLaren - AMHS Business Enterprise & Development Manager	Butrovich 205	1:30 PM

FINANCE SUBCOMMITTEES

ADMINISTRATION

Mar 05 +	Tuesday Department Overview of Governor's Amended Budget -- Testimony <Invitation Only> --	Butrovich 205	11:15 AM
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ENVIRONMENTAL CONSERVATION

Mar 07	Thursday -- MEETING CANCELED -- Agenda to be Announced	Beltz 105 (tsbldg)	4:00 PM
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HEALTH & SOCIAL SERVICES

Mar 01 +	Friday Alaska's Medicaid Program -- Testimony <Invitation Only> --	Senate Finance 532	7:45 AM
Mar 08 +	Friday - Division of Alaska Pioneer Homes - Division of Senior & Disabilities Services -- Testimony <Invitation Only> --	Senate Finance 532	7:45 AM
Mar 11 +	Monday - Division of Behavioral Health - Alaska Psychiatric Institute -- Testimony <Invitation Only> --	Senate Finance 532	7:45 AM

LABOR & WORKFORCE DEVELOPMENT

LAW

Mar 06 **Wednesday** **Butrovich 205** **8:00 AM**
+ Continuation of FY 2020 Budget
-- Testimony <Invitation Only> --

Mar 13 **Wednesday** **Butrovich 205** **8:00 AM**
+ Continuation of FY 2020 Budget
-- Testimony <Invitation Only> --

NATURAL RESOURCES

Mar 07 Thursday Beltz 105 (tsbldg) 4:30 PM
-- MEETING CANCELED --
Agenda to be Announced

PUBLIC SAFETY

Mar 04 **Monday** **Senate Finance 532** **4:00 PM**
+ -- Please Note Location Change --
+ Department Overview of Governor's Amended Budget
+ -- Testimony <Invitation Only> --

TRANSPORTATION & PUBLIC FACILITIES

Mar 07 **Thursday** **Senate Finance 532** **7:30 AM**
+ Alaska Marine Highway System
This Meeting Will Recess at 8:30 a.m. & Reconvene
at 4:30 p.m.

Mar 07 **Thursday** **Senate Finance 532** **7:45 AM**
-- MEETING CANCELED --
Agenda TBA

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TRANSPORTATION & PUBLIC FACILITIES (continued)

Mar 14	Thursday	Senate Finance 532	7:30 AM
+	Highways, Aviation & Rural Airports		
Mar 21	Thursday	Senate Finance 532	7:30 AM
+	State Equipment Fleet		
+	Inventory for Client & Agency Planning (ICAP) & Administrative Costs		
Mar 28	Thursday	Senate Finance 532	7:30 AM
+	Statewide Transportation Improvement Program (STIP) Process		

UNIVERSITY OF ALASKA

Mar 05	Tuesday	Senate Finance 532	2:00 PM
+	Budget Overview		

OTHER MEETINGS

MISCELLANEOUS MEETINGS

Mar 19	Tuesday	Butrovich 205	12:00 PM
	Lunch & Learn: "Overcharged: Why Americans Pay Too Much for Healthcare" by the Authors of the Book, Charles Silver & David Hyman Sponsored by Senator Giessel		