

SENATE JOURNAL
ALASKA STATE LEGISLATURE
THIRTY-SECOND LEGISLATURE
THIRD SPECIAL SESSION

Juneau, Alaska

Monday

August 16, 2021

First Day

Pursuant to the July 29 amended Proclamation of the Governor calling for the convening of the Third Special Session of the Thirty-Second Alaska Legislature, the Senate was called to order by President Micciche at 2:09 p.m.

The roll showed fourteen members present. Senator Hoffman was excused from a call of the Senate. Senators Costello, Kawasaki, Reinbold, Shower, Wielechowski were absent.

The prayer was offered by the Chaplain, Senator Kiehl. Senator Hughes moved and asked unanimous consent the prayer be spread. Without objection, it was so ordered.

Shachar avakesh'cha, tzuri umisgabi
eroch l'fanecha shachri v'gam arbi.

Lifnei g'dulat'cha emod v'ebaheil
ki eincha tireh kol machsh'vot libi.

At dawn I seek You, my Rock and Stronghold; I
place before You my morning and evening prayers.
Before Your greatness I stand in awe, for Your eye
sees all my thoughts.

Mah zeh asher yuchal halev
v'halashon laasot,
umah ko'ach rucki v'roch kirbi?

Hinei l'cha titav zimrat enosh
al kein odcha b'od tih'yeh
nishmat Elo-ah bi.

What can heart and tongue do, and what is my spirit's
strength within me?

Behold, our human song will gain Your favor.
Therefor I will affirm You while yet Your spirit lives
within me. Amen.

Senator Hughes led the Senate in the Pledge of Allegiance.

Certification

Senator Hughes moved and asked unanimous consent the journal for the sixth legislative day of the Second Special Session be approved as certified by the Secretary. Without objection, it was so ordered.

Senator Hughes moved and asked unanimous consent Senators Costello, Reinbold, Shower be excused from a call of the Senate today. Without objection, Senators Costello, Reinbold, Shower were excused.

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

Messages from the Governor

Executive Proclamation

Under the authority of Article II, Section 9, and Article III, Section 17, Constitution of the State of Alaska, and in the public interest, I hereby amend my proclamation of May 13, 2021, calling the Thirty-Second Legislature of the State of Alaska into special session as follows:

The Thirty-Second Legislature of the State of Alaska is called into its third special session at Juneau, Alaska, in the legislative chambers, on August 16, 2021, at 2:00 p.m., to consider the following subjects:

- HJR 6, SJR 5, or similar resolutions proposing amendments to the Constitution of the State of Alaska relating to an appropriation limit; and relating to the Constitutional Budget Reserve fund;
- HJR 7 or SJR 6, proposing amendments to the Constitution of the State of Alaska relating to the Alaska Permanent Fund, appropriations from the Alaska Permanent Fund, the Alaska Permanent Fund Dividend, and power cost equalization.
- An act or acts relating to measures to increase state revenues.

Dated: July 29, 2021 at 4:05 p.m.

Sincerely,

/s/

Mike Dunleavy

Governor

SB 19

Message was received stating the Governor signed the following bill on June 29 and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR SENATE BILL NO. 19(FIN) "An Act relating to allocations for the special education service agency; extending the special education service agency; and providing for an effective date."

Chapter 12, SLA 2021
Effective Date: See Chapter

SB 69

Message was received stating the Governor signed the following bill on June 29 and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE BILL NO. 69 am "An Act extending an exemption from regulation as a public utility for plants and facilities generating electricity entirely from renewable energy resources; and providing for an effective date."

Chapter 13, SLA 2021
Effective Date: 7/1/21

SB 70

Message was received stating the Governor signed the following bill on June 29 and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR SENATE BILL NO. 70(HSS) "An Act relating to opioid overdose drugs; and providing for an effective date."

Chapter 14, SLA 2021
Effective Date: 6/30/21

HB 22

Message was received stating the Governor signed the following bill on July 1 and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE BILL NO. 22 am "An Act relating to shared animal ownership; and relating to the sharing of raw milk and raw milk products."

Chapter 15, SLA 2021
Effective Date: 9/29/21

HB 105

Message was received stating the Governor signed the following bill on July 8 and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 105(JUD) "An Act relating to care of juveniles and to juvenile justice; relating to employment of juvenile probation officers by the Department of Health and Social Services; relating to the right to representation by the Public Defender Agency; relating to the duties of the commissioner of corrections; relating to the detention of minors; relating to minors subject to adult courts; relating to the placement of minors in adult correctional facilities; relating to terms used in juvenile justice; relating to mandatory reporters of child abuse or neglect; relating to sexual assault in the third degree; relating to sexual assault in the fourth degree; repealing a requirement for administrative revocation of a minor's driver's license, permit, privilege to drive, or privilege to obtain a license for consumption or possession of alcohol or drugs; and providing for an effective date."

Chapter 16, SLA 2021
Effective Date: 7/9/21

HB 36

Message was received stating the Governor signed the following bill on July 13 and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR HOUSE BILL NO. 36(L&C) "An Act relating to an application for a license to operate as a dealer in motor vehicles; relating to the duties of a motor vehicle dealer; and requiring a dealer in motor vehicles to maintain liability and property insurance."

Chapter 17, SLA 2021
Effective Date: 10/11/21

SB 125

Message was received stating the Governor signed the following bill on July 13 and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR SENATE BILL NO. 125(RES) "An Act relating to the transferability of hunts awarded by drawing; and providing for an effective date."

Chapter 18, SLA 2021
Effective Date: 7/14/21

SB 134

Message was received stating the Governor signed the following bill on July 13 and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR SENATE BILL NO. 134(RES) "An Act relating to master guide-outfitter qualifications for licensure; and providing for an effective date."

Chapter 19, SLA 2021
Effective Date: See Chapter

HB 63

Message was received stating the Governor signed the following bill on July 13 and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL NO. 63(TRA) "An Act relating to the duties of the Department of Transportation and Public Facilities; renaming the Alaska Marine Transportation Advisory Board the Alaska Marine Highway Operations Board; relating to the membership and duties of the Alaska Marine Highway Operations Board; and relating to the comprehensive, intermodal, long-range transportation plan for the state."

Chapter 20, SLA 2021
Effective Date: 10/11/21

HB 27

Message was received stating the Governor signed the following bill on July 13 and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE BILL NO. 27 "An Act naming the irene Webber Bridge."

Chapter 21, SLA 2021
Effective Date: 10/11/21

HB 160

Message was received stating the Governor signed the following bill on July 14 and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR HOUSE BILL NO. 160(TRA) am "An Act relating to the state procurement code; establishing the construction manager general contractor procurement method; and providing for an effective date."

Chapter 22, SLA 2021
Effective Date: See Chapter

HB 109

Message was received stating the Governor has let the following bill become law without signature and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR HOUSE BILL NO. 109(JUD) am S "An Act extending the termination date of the Board of Governors of the Alaska Bar Association; and providing for an effective date."

Chapter 23, SLA 2021
Effective Date: 7/22/21

HB 71

Message dated June 30 was received stating:

Dear President Micciche:

On this date, I have signed, with line-item vetoes, the following bill passed during the first special session of the Thirty-Second Alaska State Legislature, and am transmitting the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CONFERENCE CS FOR HOUSE BILL NO. 71 "An Act making appropriations for the operating and capital expenses of the state's integrated comprehensive mental health program; making capital appropriations and supplemental appropriations; and providing for an effective date."

Chapter No. 1, FSSLA 2021
[Effective Date: See Chapter]

The following reductions were made to the Mental Health Capital and Operating budget. The Department of Health and Social Services division operations, program grants, and general administration, were reduced by \$5,991,000 in General Funds. The Department of Commerce, Community, and Economic Development appropriation for Community and Regional Affairs was reduced by \$180,000 in General Funds. The Department of Administration, Public Defender Agency, appropriation was reduced by \$86,000. The University of Alaska, Anchorage campus appropriation was reduced by \$325,000 Unrestricted General Fund (UGF). Capital upgrade requests totaling \$3,150,000 UGF were also reduced.

The above line-item reductions were made due to the lack of a proper source of funding. When House Bill 71 was introduced at the beginning of the Thirty-Second Legislature, several of the above-listed items were proposed using funds from the Mental Health Trust Fund. During legislative deliberations those items, and additional new appropriations, were uniformly proposed by the Legislature to be funded with UGF.

This is unacceptable for the following two reasons. First, the UGF is limited and the basis of deep budgetary debates that are ongoing to fund multiple constitutional and statutory obligations. Second, and more importantly, the Mental Health Trust (Trust) has the financial capabilities to sustain the programs and projects reduced with its own funding. To date, the Mental Health Trust Fund is projected to end Fiscal Year 2021 with \$131,400,000 in reserves. After accounting for maintaining a longstanding reserve target rate of \$96,600,000, the Trust can apply \$34,800,000 in its own funding for items like those reduced above.

I call upon the Trust's Board, its executive team, and the Legislature, to deliberate on the fiscal actions the Trust has undertaken in recent years, and whether or not those actions comport with its mission to better the lives of Trust beneficiaries.

After my vetoes, the total enacted amount of this bill is \$231,365,500 comprised of \$161,360,800 of UGF, \$52,929,700 of Designated General Funds, and \$17,075,000 of other funds. The funding source of every program and project is critical to the transparency the Alaska public demands of its government. I call on all of us to work together to make that expectation a reality for the people of this State.

Sincerely,

/s/

Mike Dunleavy
Governor

HB 69

Message dated June 30 was received stating:

Dear President Micciche:

On this date, I have signed, with line-item vetoes, the following bill passed during the second special session of the Thirty-Second Alaska State Legislature, and am transmitting the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CONFERENCE CS FOR HOUSE BILL NO. 69(brf sup maj fld H/S) "An Act making appropriations for the operating and loan program expenses of state government and for certain programs; capitalizing funds; amending appropriations; making capital appropriations, supplemental appropriations, and reappropriations; and providing for an effective date."

Chapter No. 1, SSSLA 2021
[Effective Date: See Chapter]

This budget, with vetoes, provides necessary funding for the current fiscal year to address the needs of Alaskans. The vetoes made were the result of thorough evaluation and consistent application of my administration's priorities.

The line-item vetoes include the appropriation made for the issuance of a Permanent Fund Dividend. Divided between multiple funding sources, one of which failed to be adopted, the appropriation is neither consistent with current statute nor compatible with a single legislative or executive proposal regarding the appropriation of the Permanent Fund's Earnings Reserve. In Fiscal Year 2017, the Permanent Fund Dividend was first reduced, ad hoc, reducing the distribution to Alaskans. Fiscal Year 2018 was the last year the Earnings Reserve was used to exclusively fund a dividend and to inflation proof the Permanent Fund. The appropriation from the Earnings Reserve for dividends in this budget equates to roughly 12 percent of the amount distributed from the fund this year; the remaining 88 percent of the Earnings Reserve draw would go to government operations. That is an unacceptable appropriation for the people of Alaska, and I will not authorize a dividend that is the result of an arbitrary determination in the Legislature, especially when there are serious proposals to durably resolve this longstanding issue.

One of my line-item vetoes is for the amount that lawmakers would normally expect to receive in per diem for FY 2022.

Other line-item vetoes include those made to appropriations that increase budgetary components in several agencies and statewide items. This budget, along with other vehicles, has and will continue to

transfer billions of federal dollars to local communities, schools, tribes, non-profits, and healthcare providers. It is prudent to conserve the Unrestricted General Fund (UGF) dollars from growing the state's operating footprint.

Several line-item vetoes were the result of decisions to change the funding sources for those appropriations. In particular, several proposed capital projects originated as part of a general obligation bond package. If passed by the Legislature and affirmed in a public vote, the cost of financing the debt for those projects would have been a fraction of attempting to fund them with general funds. Several other proposals were introduced and passed with a federal funding source. Many of those projects have merit, which was why they were introduced by my administration. However, the appropriations for those projects, including trails, buildings, and harbors, were passed with an UGF source. That change represents an unsustainable call on the treasury and is unacceptable when there are less expensive funding alternatives. It is my hope the Legislature will come back to the table and work on a project bonding package in the best interest of all Alaskans.

With these line-item vetoes, the State of Alaska still maintains essential government services, continues strategic investments in education, public safety and transportation, and instills budgetary discipline at a time when federal funding is at historic heights. This budget also, after line-item vetoes, represents the largest capital budget since Fiscal Year 2015.

I am confident the Executive Branch has adequate resources with the inclusion of funds maintained in HB 69 to cover the expenses currently anticipated in Fiscal Year 2022.

Sincerely,

/s/

Mike Dunleavy
Governor

Messages from the House**SCR 2**

Message dated May 26 was received stating the House has failed SENATE CONCURRENT RESOLUTION NO. 2 and it is returned:

SENATE CONCURRENT RESOLUTION NO. 2(fld H) Proposing amendments to the Uniform Rules of the Alaska State Legislature providing that the 2020 edition of "Mason's Manual of Legislative Procedure" shall implement the rules; and providing for an effective date for the amendments.

SENATE CONCURRENT RESOLUTION NO. 2(fld H) was referred to the Secretary for permanent filing.

HB 69

Message dated June 28 was read stating the House rescinded action in failing the effective date on the report of the Conference Committee with limited powers of free conference considering SENATE CS FOR CS FOR HOUSE BILL NO. 69(FIN) am S and CS FOR HOUSE BILL NO. 69(FIN) am(brf sup maj fld)(efd fld), thus adopting:

CONFERENCE CS FOR HOUSE BILL NO. 69(brf sup maj fld H/S) "An Act making appropriations for the operating and loan program expenses of state government and for certain programs; capitalizing funds; amending appropriations; making capital appropriations, supplemental appropriations, and reappropriations; and providing for an effective date."

Communications**HB 69**

The following was received and is on file in the Office of the Secretary of the Senate:

Letter dated June 14 from the Division of Legislative Finance identifying the fiscal notes included in the packet (page 1288) that accompanied CONFERENCE CS FOR HOUSE BILL NO. 69(brf sup

maj fld H/S) "An Act making appropriations for the operating and loan program expenses of state government and for certain programs; capitalizing funds; amending appropriations; making capital appropriations, supplemental appropriations, and reappropriations; and providing for an effective date" which was adopted by the House and Senate.

The itemized fiscal notes are as follows:

HB 27 NAMING IRENE WEBBER BRIDGE

Fiscal Note No. 1, Department of Transportation and Public Facilities

HB 34 NAMING VIETNAM HELI. PILOTS' MEM. BRIDGE

Fiscal Note No. 1, Department of Transportation and Public Facilities

HB 100 EXTEND WORKFORCE INVEST BOARD ALLOCATIONS

Fiscal Note No. 1, Department of Education and Early Development

Fiscal Note No. 8, Department of Labor and Workforce Development

Fiscal Note No. 9, Department of Labor and Workforce Development

Fiscal Note No. 7, Department of Labor and Workforce Development

Fiscal Note No. 11, University of Alaska

SB 19 EXTEND SPECIAL EDUCATION SERVICE AGENCY

Fiscal Note No. 2, Department of Education and Early Development

SB 21 LICENSE MOBILE INTENSIVE CARE PARAMEDICS

Fiscal Note No. 2, Department of Commerce, Community, and Economic Development

SB 27 INDUSTRIAL HEMP PROGRAM;MANUFACTURING

Fiscal Note No. 2, Department of Natural Resources

SB 55 EMPLOYER CONTRIBUTIONS TO PERS

Fiscal Note No. 3, Office of the Governor

Fiscal Note No. 6, Office of the Governor

[by Conference Committee]

HB 71

The following was received and is on file in the Office of the Secretary of the Senate:

Letter dated June 14 from the Division of Legislative Finance identifying the fiscal notes included in the packet (page 1291) that accompanied CONFERENCE CS FOR HOUSE BILL NO. 71 "An Act making appropriations for the operating and capital expenses of the state's integrated comprehensive mental health program; making capital appropriations and supplemental appropriations; and providing for an effective date" which was adopted by the House and Senate.

The itemized fiscal notes are as follows:

SB 55 EMPLOYER CONTRIBUTIONS TO PERS

Fiscal Note No. 6, Office of the Governor

[by Conference Committee]

Unfinished Business

Memorandum dated July 8 was received from President Micciche stating the following members of the Senate have been appointed to the bi-partisan, bicameral Comprehensive Fiscal Plan Working Group:

Majority Members:

Senator Lyman Hoffman (Cochair)

Senator Shelley Hughes

Senator Mike Shower - Alternate

Minority Members:

Senator Scott Kawasaki

Senator Jesse Kiehl

Senator Elvi Gray-Jackson - Alternate

Senator Stedman moved and asked unanimous consent to be excused from a call of the Senate from September 1 through January 15, 2022. Without objection, Senator Stedman was excused.

Senator von Imhof moved and asked unanimous consent to be excused from a call of the Senate from August 27 through January 15, 2022. Without objection, Senator von Imhof was excused.

Enrollment

SB 47

SENATE BILL NO. 47 "An Act relating to special registration plates for vehicles owned by persons with disabilities" was enrolled, signed by the President and Secretary, Speaker and Chief Clerk and the engrossed and enrolled copies transmitted to the Office of the Governor at 3:55 p.m., August 16, 2021.

SB 65

HOUSE CS FOR CS FOR SENATE BILL NO. 65(JUD) "An Act relating to the elements of a claim for medical malpractice; and relating to the definition of a health care provider-patient relationship" was enrolled, signed by the President and Secretary, Speaker and Chief Clerk and the engrossed and enrolled copies transmitted to the Office of the Governor at 3:00 p.m., August 13, 2021.

SB 76

SENATE BILL NO. 76 "An Act relating to vehicles abandoned on private property" was enrolled, signed by the President and Secretary, Speaker and Chief Clerk and the engrossed and enrolled copies transmitted to the Office of the Governor at 3:00 p.m., August 13, 2021.

SB 125

CS FOR SENATE BILL NO. 125(RES) "An Act relating to the transferability of hunts awarded by drawing; and providing for an effective date" was enrolled, signed by the President and Secretary, Speaker and Chief Clerk and the engrossed and enrolled copies transmitted to the Office of the Governor at 12:25 p.m., July 9, 2021.

SB 134

CS FOR SENATE BILL NO. 134(RES) "An Act relating to master guide-outfitter qualifications for licensure; and providing for an effective date" was enrolled, signed by the President and Secretary, Speaker and Chief Clerk and the engrossed and enrolled copies transmitted to the Office of the Governor at 12:25 p.m., July 9, 2021.

SCR 3

SENATE CONCURRENT RESOLUTION NO. 3 Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning House Joint Resolution No. 12, urging the United States Department of the Interior, Bureau of Land Management, to honor the recent lease sales and proceed with permitting in the Arctic National Wildlife Refuge; urging the President of the United States to defend the 2020 Record of Decision approving the Coastal Plain Oil and Gas Leasing Program in the Arctic National Wildlife Refuge; opposing designation of the Arctic National Wildlife Refuge as a National Monument; and urging the Alaska delegation in Congress to uphold sec. 20001 of the Tax Cuts and Jobs Act of 2017, was enrolled, signed by the President and Secretary, Speaker and Chief Clerk and the engrossed and enrolled copies transmitted to the Office of the Governor at 9:30 a.m., July 16, 2021.

Legislative Resolve No. 3

SCR 5

SENATE CONCURRENT RESOLUTION NO. 5 Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning House Bill No. 76, extending the January 15, 2021, governor's declaration of a public health disaster emergency in response to the novel coronavirus disease (COVID-19) pandemic; approving and ratifying declarations of a public health disaster emergency; providing for a financing plan; making temporary changes to state law in response to the COVID-19 outbreak in the following areas: occupational and professional licensing, practice, and billing; telehealth; fingerprinting requirements for health care providers; charitable gaming and online ticket sales; access to federal stabilization funds; wills; unfair or deceptive trade practices; meetings of shareholders; and school operating funds; relating to informed consent for COVID-19 vaccines; relating to personal objections to the

administration of COVID-19 vaccines; providing immunity from liability and disciplinary action for occupational licensees for exposure of clients to COVID-19; and providing immunity from liability for persons engaging in business and their employees for exposure of customers to COVID-19, was enrolled, signed by the President and Secretary, Speaker and Chief Clerk and the engrossed and enrolled copies transmitted to the Office of the Governor at 9:30 a.m., July 16, 2021.

Legislative Resolve No. 5

SCR 6

SENATE CONCURRENT RESOLUTION NO. 6 Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning House Bill No. 36, relating to an application for a license to operate as a dealer in motor vehicles; and requiring a dealer in motor vehicles to maintain liability and property insurance, was enrolled, signed by the President and Secretary, Speaker and Chief Clerk and the engrossed and enrolled copies transmitted to the Office of the Governor at 9:30 a.m., July 16, 2021.

Legislative Resolve No. 9

Adjournment

Senator Hughes moved and asked unanimous consent the Senate stand in adjournment until 10:30 a.m., August 19, 2021. Without objection, the Senate adjourned at 2:28 p.m.

Liz Clark
Secretary of the Senate

Announcements

Americans with Disabilities Act Notice - Persons with disabilities who require special accommodation or alternative communication formats to access committee meetings may contact the appropriate committee office or the Legislative Information Office in their community. Reasonable advance notice is needed to accommodate the request. For further information, call the ADA Coordinator at 465-3854 Voice/465-4980 TDD.

STANDING COMMITTEES

+ indicates teleconference

= indicates bill previously heard/scheduled

FINANCE

Aug 17	Tuesday	Senate Finance 532	9:00 AM
+	Agenda Forthcoming Bills Previously Heard/Scheduled		

JOINT COMMITTEES

LEGISLATIVE BUDGET & AUDIT

Aug 27	Friday	Anch Lio Denali Rm	10:00 AM
	I. Executive Session		
	a. Final Audit Report:		
	1. Alaska Mental Health Trust Authority (Special)		
	2. Board of Examiners in Optometry (Sunset)		
	b. Preliminary Audit Reports		
+	II. Revised Program - Legislative		
+	III. Other Committee Business		

LEGISLATIVE COUNCIL

Aug 16	Monday	Adams 519	3:00 PM
	-- Testimony <Invitation Only> --		
	Approval of Minutes: Feb. 25 meeting		
	Committee Business: Amendment to COVID-19 Mitigation Policy		
	Committee Business - Executive session: RFP		
	646 Anchorage LOB Janitorial Contract; Assembly Building Proposed Donation		
	Streamed live on AKL.tv		