

HOUSE JOURNAL

ALASKA STATE LEGISLATURE

TWENTY-THIRD LEGISLATURE -- FIRST SESSION

Juneau, Alaska

Friday

February 28, 2003

Thirty-ninth Day

Pursuant to adjournment the House was called to order by Speaker Kott at 10:09 a.m.

Roll call showed 33 members present. Representatives Chenault, Gatto, and Kerttula had been previously excused from a call of the House today. Representatives Moses and Weyhrauch were absent and their presence was noted later. Representative Williams was absent and later excused. There was one vacancy.

The invocation was offered by the Chaplain, Pastor Patrick Brayton of Valley Chapel. Representative Coghill moved and asked unanimous consent that the invocation be spread on the journal. There being no objection, it was so ordered.

Heavenly Father, with great confidence in Your love and mercy, I come to You in the Name of Jesus to intercede for all who work for the good of our state in these chambers. May Your wisdom and grace abound here and may their efforts result in great blessing to the people of Alaska. Let Your Holy Spirit guide them to righteous solutions for every problem we now face and for those that shall yet arise. May the leadership of those who represent us here be exemplary in every way and may we enjoy the peace and prosperity that results when the righteous rule. Provide, we pray, for the material, physical, emotional, and spiritual needs of all Alaskans and may Your hand of blessing never be lifted from us. Believing in Your Word, Father, I know You will grant these petitions and so I humbly give You thanks, in Jesus' Name. Amen.

The Pledge of Allegiance was led by Representative Kohring.

CERTIFICATION OF THE JOURNAL

Representative Coghill moved and asked unanimous consent that the journal for the 37th and 38th legislative days be approved as certified by the Chief Clerk. There being no objection, it was so ordered.

MESSAGES FROM THE GOVERNOR

A message dated February 27, 2003, was read stating under the provision of article III, section 18 of the Alaska Constitution, the Governor requests the opportunity to address a joint session of the Twenty-third Alaska State Legislature on Wednesday, March 5, 2003, at 7:00 p.m. for presentation of a State of the Budget Address.

A message dated February 27, 2003, was received updating the following term expiration dates to reflect adherence to AS 39.05.053. These names have previously been submitted by the Governor to the legislature for confirmation.

Alaska State Board of Public Accountancy

Dan F. Kennedy - Wasilla

Appointed: 04/25/2003 Term Expires: 03/01/2007

Laura Welles - Kenai

Appointed: 04/25/2003 Term Expires: 03/01/2007

State Board of Registration for Architects, Engineers, and Land Surveyors

Robert E. Gilfilian - Anchorage

Appointed: 03/01/2003 Term Expires: 03/01/2006

Kimberly Mills - Homer

Appointed: 02/12/2003 Term Expires: 03/01/2006

Board of Dispensing Opticians

Roberta Rawcliffe - Wasilla

Appointed: 02/19/1999 Reappointed: 07/18/2002

Term Expires: 03/01/2006

Board of Education and Early Development

Shirley Holloway - Anchorage

Appointed: 03/03/2003 Term Expires: 03/01/2005

Richard I. Mauer - Delta Junction

Appointed: 02/20/2003 Term Expires: 03/01/2008

Sylvia Reynolds - Soldotna

Appointed: 02/20/2003 Term Expires: 03/01/2004

Rex A. Rock - Point Hope

Appointed: 02/20/2003 Term Expires: 03/01/2004

State Commission for Human Rights

Robert B. Sawyer Jr. - Fairbanks

Appointed: 02/19/2003 Term Expires: 03/01/2008

Judicial Council

Bill Gordon - Fairbanks

Appointed: 05/18/2003 Term Expires: 03/01/2009

State Medical Board

Dr. G. Bert Flaming - Glennallen

Appointed: 02/12/2003 Term Expires: 03/01/2004

Dr. John Troxel - Anchorage

Appointed: 02/12/2003 Term Expires: 03/01/2006

Oil and Gas Conservation Commission

Sarah H. Palin - Wasilla

Appointed: 02/19/2003 Term Expires: 03/01/2008

Randy Ruedrich - Anchorage

Appointed: 02/19/2003 Term Expires: 03/01/2006

Personnel Board

Paulette M. Simpson - Juneau

Appointed: 02/11/2003 Term Expires: 03/01/2008

State Physical Therapy and Occupational Therapy Board

Mary Ann Paul - Eagle River

Appointed: 11/22/2002 Term Expires: 03/01/2006

Board of Certified Real Estate Appraisers

Steve MacSwain - Anchorage

Appointed: 02/19/2003 Term Expires: 03/01/2006

University of Alaska Board of Regents

Mary K. Hughes - Anchorage

Appointed: 07/09/2002 Term Expires: 02/01/2009

Michael Snowden - Sitka

Appointed: 01/21/2003 Term Expires: 02/01/2009

Regulatory Commission of Alaska (RCA)

Mark Johnson - Anchorage

Appointed: 07/01/2003 Term Expires: 03/01/2009

MESSAGES FROM THE SENATE**HCR 6**

A message dated February 26, 2003, was read stating the Senate has passed:

CS FOR HOUSE CONCURRENT RESOLUTION NO. 6(FSH)

Relating to the continuation of the Joint Legislative Salmon Industry Task Force until 2004.

CSHCR 6(FSH) was referred to the Chief Clerk for enrollment.

REPORTS OF STANDING COMMITTEES

The Health, Education & Social Services Committee has reviewed the qualifications of the following and recommends the appointments be forwarded to a joint session for consideration:

Craig Baker
Vivian L. Dailey
Kimberly Jockusch
Lawrence Lee Oldaker

as members of the Professional Teaching Practices Commission.

The reports were signed by Representative Wilson, Chair; and Representatives Seaton, Wolf, Heinze, Kapsner, and Cissna.

The Labor & Commerce Committee has reviewed the qualifications of the following and recommends the appointments be forwarded to a joint session for consideration:

Dave Harbour
Mark Johnson

as members of the Regulatory Commission of Alaska (RCA).

The reports were signed by Representative Anderson, Chair; and Representatives Lynn, Rokeberg, Gatto, Dahlstrom, Crawford, and Guttenberg.

The State Affairs Committee has reviewed the qualifications of the following and recommends the appointment be forwarded to a joint session for consideration:

Bill Tandeske

as Commissioner of the Department of Public Safety.

The report was signed by Representative Weyhrauch, Chair; and Representatives Gruenberg, Seaton, Berkowitz, Dahlstrom, Lynn, and Holm.

The Transportation Committee has reviewed the qualifications of the following and recommends the appointment be forwarded to a joint session for consideration:

Mike Barton

as Commissioner of the Department of Transportation and Public Facilities.

The report was signed by Representatives Masek and Holm, Co-chairs; and Representatives Heinze, Kookesh, Kohring, and Fate.

**The presence of Representative Moses was noted.

HB 73

The Finance Committee has considered:

HOUSE BILL NO. 73

"An Act extending the termination date of the State Medical Board."

and recommends it be replaced with:

CS FOR HOUSE BILL NO. 73(FIN)
(same title)

The report was signed by Representatives Harris and Williams, Co-chairs, with the following individual recommendations:

Do pass (9): Meyer, Hawker, Stoltze, Joule, Moses, Whitaker, Foster, Harris, Williams

The following fiscal note(s) apply to CSHB 73(FIN):

2. Fiscal, Dept. of Community & Economic Development

HB 73 was referred to the Rules Committee for placement on the calendar.

**The presence of Representative Weyhrauch was noted.

HB 74

The Finance Committee has considered:

HOUSE BILL NO. 74

"An Act extending the termination date of the Board of Nursing."

and recommends it be replaced with:

CS FOR HOUSE BILL NO. 74(FIN)

(same title)

The report was signed by Representatives Harris and Williams, Co-chairs, with the following individual recommendations:

Do pass (10): Meyer, Hawker, Stoltze, Joule, Croft, Moses, Whitaker, Foster, Harris, Williams

The following fiscal note(s) apply to CSHB 74(FIN):

2. Fiscal, Dept. of Community & Economic Development

HB 74 was referred to the Rules Committee for placement on the calendar.

HB 112

The Finance Committee has considered:

HOUSE BILL NO. 112

"An Act relating to the authority of the Alaska Industrial Development and Export Authority to issue bonds; and providing for an effective date."

and recommends it be replaced with:

CS FOR HOUSE BILL NO. 112(FIN)

"An Act relating to the authority of the Alaska Industrial Development and Export Authority to issue bonds and to a municipal tax exemption for certain assets and projects of the Alaska Industrial Development and Export Authority; and providing for an effective date."

The report was signed by Representatives Harris and Williams, Co-chairs, with the following individual recommendations:

Do pass (9): Meyer, Hawker, Joule, Croft, Moses, Whitaker, Foster, Harris, Williams

No recommendation (1): Stoltze

The following fiscal note(s) apply to CSHB 112(FIN):

1. Zero, Dept. of Community & Economic Development

HB 112 was referred to the Rules Committee for placement on the calendar.

**Representative Coghill moved and asked unanimous consent that Representative Williams be excused from a call of the House today. There being no objection, it was so ordered.

REPORTS OF SPECIAL COMMITTEES

HB 16

The House Special Committee on Oil & Gas has considered:

HOUSE BILL NO. 16

"An Act amending the standards applicable to determining whether, for purposes of the Alaska Stranded Gas Development Act, a proposed new investment constitutes a qualified project, and repealing the deadline for applications relating to the development of contracts for payments in lieu of taxes and for royalty adjustments that may be submitted for consideration under that Act; and providing for an effective date."

and recommends it be replaced with:

CS FOR HOUSE BILL NO. 16(O&G)

"An Act amending, for purposes of the Alaska Stranded Gas Development Act, the standards applicable to determining whether a proposed new investment constitutes a qualified project, the standards used to determine whether a person or group qualifies as a project sponsor or project sponsor group, and the deadline for applications relating to the development of contracts

for payments in lieu of taxes and for royalty adjustments that may be submitted for consideration, and modifying the conditions bearing on the use of independent contractors to evaluate applications or to develop contract terms; and providing for an effective date."

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

Do pass (6): Chenault, Fate, Rokeberg, Crawford, McGuire, Kohring

The following fiscal note(s) apply to CSHB 16(O&G):

1. Zero, Dept. of Community & Economic Development
2. Fiscal, Dept. of Natural Resources
3. Fiscal, Dept. of Revenue

HB 16 was referred to the Resources Committee.

INTRODUCTION OF CITATIONS

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

Honoring - Jon Misewicz, Eagle Scout
By Representative Coghill

Honoring - North Star Volunteer Fire Department
By Representative Coghill

Honoring - The UAF Men's Basketball Team, 2002 BP Top of the World Classic Champions
By Representative Guttenberg

Honoring - Susan B. English Volleyball Team, 2002 Class 1-2A West Champions
By Representative Seaton

Honoring - Francis Pete, Sr., Alaska Recipient of the Head Start Father of the Year

By Senator Olson; Representative Foster

Honoring - Lisa B. Nelson

By Senators Dyson, Davis

Honoring - Warren Wilson

By Senator Olson; Representative Joule

Honoring - Rafael S. Castanos

By Senator Taylor

In Memoriam - William Robert Keys

By Representative Coghill

In Memoriam - Celebrating the Life of Alaskan Artist, Fred Machetanz

By Representatives Kohring, Gatto, Masek, Stoltze, Harris, Dahlstrom; Senators Ogan, Green, Therriault

In Memoriam - Leo Franklin Rhode

By Representative Seaton

In Memoriam - Billy Joe Smart

By Senator Taylor

INTRODUCTION, FIRST READING, AND REFERENCE OF HOUSE RESOLUTIONS

HCR 10

HOUSE CONCURRENT RESOLUTION NO. 10 by Representative Wolf:

Relating to restoration of riparian habitat that is vital to the fisheries resources of the state.

was read the first time and referred to the House Special Committee on Fisheries and the Resources Committee.

HCR 11

HOUSE CONCURRENT RESOLUTION NO. 11 by Representative Wolf:

Relating to Alaska Salmon Day.

was read the first time and referred to the House Special Committee on Fisheries and the Resources Committee.

**INTRODUCTION, FIRST READING, AND REFERENCE
OF HOUSE BILLS****HB 137**

HOUSE BILL NO. 137 by Representative Harris, entitled:

"An Act relating to municipal assessment and taxation of certain farm use and agricultural use real property; and providing for an effective date."

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

HB 138

HOUSE BILL NO. 138 by Representative Holm, entitled:

"An Act relating to appointment of surrogate parents to represent a child with a disability in matters of public education."

was read the first time and referred to the House Special Committee on Education and the Health, Education & Social Services Committee.

HB 139

HOUSE BILL NO. 139 by Representative Hawker, entitled:

"An Act approving an interim classification by the commissioner of natural resources closing certain land within the Glacier Creek and Winner Creek drainages to new mineral entry; and providing for an effective date."

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

HB 140

HOUSE BILL NO. 140 by the House Rules Committee by request of the Governor, entitled:

"An Act relating to benefits for retired teachers or employees who participated in retirement incentive programs and are subsequently reemployed as a commissioner; and providing for an effective date."

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

The following fiscal note(s) apply:

1. Zero, Dept. of Administration

The Governor's transmittal letter dated February 27, 2003, follows:

"Dear Speaker Kott:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to reemployment of certain members of the Teachers' Retirement System of Alaska (TRS) and the Public Employees' Retirement System (PERS) who have retired under a retirement incentive plan (RIP).

The objective of this bill is to allow a person who retired under a RIP to return to state service as a commissioner without being penalized.

It is in the best interest of the people of Alaska to ensure that administrative departments of state government be managed by competent, skilled, knowledgeable, and experienced persons. Choosing to serve Alaska as the head of a state agency, in many cases, requires an individual to make sacrifices they may never have anticipated. This bill would remove one of the major disincentives, and give the Governor greater flexibility in filling out his cabinet.

Under existing law, if a TRS or PERS member who took normal retirement and retired under a RIP is re-employed in the TRS or PERS system, the member forfeits the incentive credit and becomes indebted to the TRS or PERS. This bill would allow a TRS or PERS member in

this situation who is re-employed as a commissioner to accept the position without being subject to the reemployment indebtedness.

Under existing law, a retired member of the TRS or PERS who took normal retirement and is re-employed in a TRS or PERS position may elect to continue receiving the member's retirement benefits during the period of employment. A member who retired under a RIP, however, may not make the election to continue receiving TRS or PERS retirement benefits. This bill would allow a TRS or PERS member in this situation who is subsequently re-employed as a commissioner to elect to continue receiving retirement benefit payments during the period of reemployment.

Finally, under existing law, the option to elect to continue receiving TRS or PERS benefits during the period of reemployment is repealed as of July 1, 2005. This bill repeals that option for individuals subject to the bill, i.e., TRS or PERS members who retired under a RIP and are subsequently re-employed as a commissioner.

I urge your prompt and favorable action on this measure.

Sincerely,

/s/

Frank H. Murkowski
Governor"

HB 141

HOUSE BILL NO. 141 by Representatives Crawford and Croft,
entitled:

"An Act making a special appropriation from the budget reserve fund under art. IX, sec. 17(c), Constitution of the State of Alaska, to the dividend fund for 2003 permanent fund dividends; and providing for an effective date."

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

CONSIDERATION OF THE DAILY CALENDAR**LEGISLATIVE CITATIONS**

Representative Coghill moved and asked unanimous consent that the House approve the citations on the calendar. There being no objection, the following citations were approved and sent to enrolling:

Honoring - United States Space Shuttle Columbia

By Representatives Anderson, Kott, Berkowitz, Chenault, Cissna, Coghill, Crawford, Croft, Dahlstrom, Fate, Foster, Gara, Gatto, Gruenberg, Guttenberg, Harris, Hawker, Heinze, Holm, Joule, Kapsner, Kerttula, Kohring, Lynn, Masek, McGuire, Meyer, Morgan, Rokeberg, Samuels, Seaton, Stoltze, Weyhrauch, Whitaker, Williams, Wilson, Wolf

Honoring - Katie and Doyle Currier, 50th Wedding Anniversary

By Representatives Masek, Gatto, Stoltze, Kott, Anderson, Berkowitz, Chenault, Cissna, Coghill, Crawford, Croft, Dahlstrom, Fate, Gara, Gruenberg, Guttenberg, Harris, Hawker, Heinze, Holm, Joule, Kapsner, Kerttula, Kohring, McGuire, Meyer, Morgan, Rokeberg, Samuels, Seaton, Weyhrauch, Williams, Wilson, Wolf

Honoring - Jason P. Quinn

By Senator Gary Stevens; Representatives Kott, Anderson, Berkowitz, Chenault, Cissna, Coghill, Crawford, Croft, Dahlstrom, Fate, Gara, Gatto, Gruenberg, Guttenberg, Harris, Hawker, Heinze, Holm, Joule, Kapsner, Kerttula, Masek, McGuire, Meyer, Morgan, Rokeberg, Samuels, Seaton, Williams, Wilson, Wolf

In Memoriam - Lee M. Fett, Alaskan Pioneer and Homesteader, Delta Junction Farmer and Family Man

By Representatives Harris, Kott, Anderson, Berkowitz, Chenault, Cissna, Coghill, Crawford, Croft, Dahlstrom, Fate, Foster, Gara, Gatto, Gruenberg, Guttenberg, Hawker, Heinze, Holm, Joule, Kapsner, Kerttula, Kohring, Masek, McGuire, Meyer, Morgan, Rokeberg, Samuels, Seaton, Stoltze, Weyhrauch, Williams, Wilson, Wolf

In Memoriam - Michael Lee Mikkelsen

By Senator Ogan; Representatives Kott, Anderson, Berkowitz, Chenault, Cissna, Coghill, Crawford, Croft, Dahlstrom, Fate, Foster, Gara, Gatto, Gruenberg, Guttenberg, Harris, Hawker, Heinze, Holm, Joule, Kapsner, Kerttula, Kohring, Masek, McGuire, Meyer, Morgan, Rokeberg, Samuels, Seaton, Stoltze, Williams, Wilson, Wolf

In Memoriam - Patricia Marie Acton

By Senator Ogan; Representatives Masek, Kott, Anderson, Berkowitz, Chenault, Cissna, Coghill, Crawford, Croft, Dahlstrom, Fate, Foster, Gara, Gatto, Gruenberg, Guttenberg, Harris, Hawker, Heinze, Holm, Joule, Kapsner, Kerttula, Kohring, McGuire, Meyer, Morgan, Rokeberg, Samuels, Seaton, Stoltze, Williams, Wilson, Wolf

UNFINISHED BUSINESS

HB 57

The Speaker waived the Resources Committee referral for the following at the request of Representative Fate, Co-chair:

HOUSE BILL NO. 57

"An Act amending the manner of determining the royalty received by the state on gas production as it relates to the manufacture of certain value-added products."

The Speaker added a Finance Committee referral to HB 57.

HB 57 was removed from the Resources Committee and referred to the Finance Committee.

Representative Coghill moved and asked unanimous consent that the following members be excused from a call of the House. There being no objection, the members were excused as noted:

Representative Wilson - from 2:00 p.m., March 1 to 2:00 p.m., March 2, 2003

Representative Williams - from noon, February 28 to 11:00 p.m.,
March 2, 2003

Representative Kookesh - from 7:00 am, March 3 to 2:00 p.m.,
March 4, 2003

HCR 6

Representative Lynn added his name as cosponsor to:

CS FOR HOUSE CONCURRENT RESOLUTION NO. 6(FSH)
Relating to the continuation of the Joint Legislative Salmon
Industry Task Force until 2004.

HB 16

Representative Kohring added his name as cosponsor to:

HOUSE BILL NO. 16

"An Act amending the standards applicable to determining whether, for purposes of the Alaska Stranded Gas Development Act, a proposed new investment constitutes a qualified project, and repealing the deadline for applications relating to the development of contracts for payments in lieu of taxes and for royalty adjustments that may be submitted for consideration under that Act; and providing for an effective date."

HB 66

Representative Heinze removed her name as cosponsor to:

HOUSE BILL NO. 66

"An Act relating to certain persons who buy and sell secondhand articles, to certain persons who lend money on secondhand articles, and to certain persons who seek or receive loans on secondhand articles."

ENGROSSMENT**HB 9**

Reconsideration of the following was not taken up on this legislative day. It was engrossed, signed by the Speaker and Chief Clerk and transmitted to the Senate for consideration:

CS FOR HOUSE BILL NO. 9(FIN) am

"An Act relating to the registration of individuals who perform home inspections; relating to regulation of contractors; relating to registration fees for specialty contractors, home inspectors, and associate home inspectors; relating to home inspection requirements for residential loans purchased or approved by the Alaska Housing Finance Corporation; relating to civil actions by and against home inspectors and to civil actions arising from residential unit inspections; repealing a law that limits liability for damages based on a duty to inspect a residential unit to damages caused by gross negligence or intentional misconduct; and providing for an effective date."

ANNOUNCEMENTS

House committee schedules are published daily under separate cover.

ADJOURNMENT

Representative Coghill moved and asked unanimous consent that the House adjourn until 11:00 a.m., March 3, 2003. There being no objection, the House adjourned at 10:27 a.m.

Suzi Lowell
Chief Clerk