

# SENATE JOURNAL

## ALASKA STATE LEGISLATURE

### TWENTY-THIRD LEGISLATURE -- SECOND SESSION

Juneau, Alaska

Monday

February 16, 2004

#### Thirty-sixth Day

Pursuant to adjournment the Senate was called to order by President pro tempore Ben Stevens at 10:50 a.m.

The roll showed seventeen members present. Senators Stedman, Therriault were excused from a call of the Senate. Senator Davis was absent.

The prayer was offered by the Chaplain, Major Larry Fankhauser of The Salvation Army. Senator Hoffman moved and asked unanimous consent that the prayer be spread. Without objection, it was so ordered.

Our Father, when we long for life without trials and work, without difficulties, remind us that oaks grow strong in contrary winds and diamonds are made under pressure. With stout hearts may we see in every calamity an opportunity and not give in to the pessimist that sees in every opportunity a calamity.

I ask Your blessing for each man and woman here today along with Your care for their families as they serve this great state, thanking You for each opportunity. Amen.

Major Fankhauser asked for a moment of remembrance for Troy Davis, husband of Senator Bettye Davis; and for Hector Therriault, father of Senator Gene Therriault.

Senator Elton led the Senate in the Pledge of Allegiance.

**Certification**

Senator Wagoner, Acting Majority Leader, moved and asked unanimous consent that the journals for the thirty-third through thirty-fifth legislative days be approved as certified by the Secretary. Without objection, it was so ordered.

Senator Wagoner, Acting Majority Leader, moved and asked unanimous consent that the Senate stand in recess to the Joint Session. Without objection, the Senate recessed at 10.54 a.m.

**After Recess****Joint Session in the House**

Speaker Kott called the House to order and in accordance with Uniform Rule 51 turned the gavel over to President pro tempore Ben Stevens, who called the Joint Session to order at 11:03 a.m.

The purpose of the Joint Session was to hear an address by the Honorable Ted Stevens, U.S. Senator for Alaska.

Senator Wagoner, Acting Majority Leader, moved and asked unanimous consent that the roll call of the Senate be waived and all members be shown as present. Without objection, it was so ordered.

Representative Coghill moved and asked unanimous consent that the roll call of the House be waived and all members be shown as present. Without objection, it was so ordered.

President pro tempore Ben Stevens appointed Representative Stepovich and Senator French to escort Senator Ted Stevens to the Joint Session.

The Senate Sergeant at Arms, Jamiann Stevens, announced U.S. Senator Stevens' entrance to the House Chamber.

The Honorable Ted Stevens was escorted to the rostrum and introduced by President pro tempore Ben Stevens.

Senator Stevens delivered his address. This address appears in Senate and House Joint Journal Supplement No. 14.

Following his address, there was a question and answer period. Senator Ted Stevens received a standing ovation and was escorted from the chamber by Senator French and Representative Stepovich.

Senator Wagoner, Acting Majority Leader, moved and asked unanimous consent that the Joint Session stand in adjournment. Without objection, President pro tempore Ben Stevens adjourned the Joint Session at 12:07 p.m.

#### **After Recess**

#### **In the Senate**

The Senate reconvened at 12:16 p.m.

#### **Introduction and Reference of Senate Resolutions**

##### **SJR 30**

SENATE JOINT RESOLUTION NO. 30 BY SENATORS ELLIS,  
Olson, French,

Urging the United States Congress to amend the No  
Child Left Behind Act of 2001.

was read the first time and referred to the State Affairs and Health,  
Education and Social Services Committees.

##### **SJR 31**

SENATE JOINT RESOLUTION NO. 31 BY THE SENATE RULES  
COMMITTEE,

Relating to urging the United States Congress to compensate the State of Alaska for the effect of federal land ownership on the state's ability to fund public education.

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

**SJR 32**

SENATE JOINT RESOLUTION NO. 32 BY SENATOR ELTON,

Proposing amendments to the Constitution of the State of Alaska relating to appropriations from the Alaska permanent fund to be used for a program of dividends for all state residents and providing a conditional effect and effective date for the amendment.

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

**SR 3**

SENATE RESOLUTION NO. 3 BY SENATOR OLSON,

Relating to commemoration of Senator Frank R. Ferguson and other distinguished Senators.

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

**Introduction and Reference of Senate Bills****SB 11**

SPONSOR SUBSTITUTE FOR SENATE BILL NO. 11 BY SENATORS GUESS, Ellis, Elton, entitled:

"An Act relating to the base student allocation used in the formula for state funding of public education; and providing for an effective date."

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

**SB 321**

SPONSOR SUBSTITUTE FOR SENATE BILL NO. 321 BY SENATORS FRENCH, Hoffman, Elton, entitled:

"An Act amending the oil and gas properties production (severance) tax as it relates to oil to require payment of a tax of at least five percent of the gross value at the point of production before any price adjustments authorized by this Act, to modify the mechanism for calculating the effective tax rate, to provide for adjustments to the tax when the prevailing value of the oil exceeds \$20 per barrel or falls below \$16 per barrel and to limit the effect of the adjustments, to exempt certain kinds of oil from application of the adjustments, and to waive and defer payment of portions of the tax on oil when its prevailing value falls below \$10 per barrel; and providing for an effective date."

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

**SB 331**

SENATE BILL NO. 331 BY SENATOR FRENCH, entitled:

"An Act relating to removing political organizations, nonprofit trade associations, and dog mushers' associations from being qualified organizations for the purpose of conducting bingo and pull-tab games but not other forms of charitable gaming."

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

**SB 332**

SENATE BILL NO. 332 BY SENATOR ELLIS, entitled:

"An Act relating to a poll of legislators on the question of calling a special session."

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

**SB 333**

SENATE BILL NO. 333 BY SENATOR THERRIAULT, entitled:

"An Act relating to judicial relief before final administrative decisions of state agencies."

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

**SB 334**

SENATE BILL NO. 334 BY SENATOR GARY STEVENS, entitled:

"An Act requiring a separate appropriation bill for funding public education; providing for an increase in the base student allocation used in the formula for state funding of public education; establishing a date by which the bill funding public education must be transmitted to the governor; and providing for an effective date."

was read the first time and referred to the State Affairs, Health, Education and Social Services and Finance Committees.

**SB 335**

SENATE BILL NO. 335 BY SENATOR SEEKINS, entitled:

"An Act relating to enhanced 911 surcharges and to emergency services dispatch systems of municipalities, certain villages, and public corporations established by municipalities."

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

**SB 336**

SENATE BILL NO. 336 BY THE SENATE RULES COMMITTEE  
BY REQUEST OF THE GOVERNOR, entitled:

"An Act imposing a correctional facility surcharge on persons convicted of a crime under state law, and on persons whose probation is revoked; relating to fees and expenses for interstate transfer of probation or parole; and providing for an effective date."

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

The following fiscal information was published today:

Fiscal Note No. 1, Department of Law

Governor's transmittal letter dated February 13:

Dear President Therriault:

Under the authority of article III, section 18, of the Alaska Constitution, I am transmitting a bill that would impose a surcharge on persons convicted of an offense and on persons whose probation is revoked. The bill also would require a person under state probation or parole supervision to pay an application fee for a requested transfer of that supervision to another state.

Alaska has an urgent need to mitigate the cost of its correctional facilities. The bill imposes a surcharge on a person who pleads guilty or nolo contendere to, or is convicted of, a crime if the person was arrested and taken to a correctional facility or is sentenced to a term of imprisonment. The amount of the surcharge depends on the seriousness of the crime: \$100 for a felony and \$50 for a misdemeanor.

The bill also would impose a surcharge on a person placed on probation after conviction of a crime. The surcharge is collected only if the defendant's probation is revoked for a probation violation and the person was either arrested and taken to a correctional facility for the violation, or sentenced to prison for it.

Alaska participates in the Interstate Compact for Adult Offender Supervision (Compact), which regulates the transfer of supervision for persons under state probation and parole. The bill would establish an application fee for persons under active probation or parole supervision who request an interstate transfer of supervision under the Compact. According to the Department of Corrections, the great majority of other states already impose a fee for similar services. The bill also would require the applicant to post a bond or deposit cash, which would be forfeited if the state must escort the person back to Alaska for confined supervision.

I urge your prompt and favorable consideration of this proposal.

Sincerely yours,

/s/

Frank H. Murkowski  
Governor

**SB 337**

SENATE BILL NO. 337 BY THE SENATE RULES COMMITTEE  
BY REQUEST OF THE GOVERNOR, entitled:

"An Act relating to the powers of the Alaska Energy Authority to make grants and loans and enter into contracts; relating to the bulk fuel revolving loan fund; relating to the Alaska Energy Authority's liability for the provision of technical assistance to rural utilities; relating to the Alaska Energy Authority's investment of the power development fund; repealing the electrical service extension fund; and providing for an effective date."

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

The following fiscal information was published today:

Fiscal Note No. 1, zero, Department of Revenue  
Fiscal Note No. 2, zero, Department of Community and Economic  
Development



Governor's transmittal letter dated February 13:

Dear President Therriault:

Under the authority of article III, section 18, of the Alaska Constitution, I am transmitting a bill relating to the powers of the Alaska Energy Authority (AEA) to make grants and loans and enter into contracts, relating to the bulk fuel revolving loan fund, relating to the AEA's potential liability for the provision of technical assistance to rural utilities, relating to the AEA's investment of the power development fund, and repealing the electrical service extension fund.

Section 1 of the bill would amend AS 42.45.010, establishing the power project fund, to add authorization for the AEA to make loans from the fund for waste energy, energy conservation, energy efficiency, and alternative energy facilities and equipment. Similarly, section 9 of the bill would amend the general powers of the AEA to authorize it to improve, equip, operate, maintain, and enter into contracts for the construction, financing, operation, and maintenance of: bulk fuel, waste energy, energy conservation, energy efficiency, and alternative energy facilities and equipment. The Denali Commission and other federal agencies have provided substantial funding for such projects, and the Legislature has authorized the AEA's receipt and expenditure of the federal money.

Section 11 of the bill would repeal AS 42.45.060, which establishes a loan committee to review and approve loans from the power project fund and the rural electrification revolving loan fund. Upon repeal of the loan committee statute, the credit department of the Alaska Industrial Development and Export Authority, which manages the AEA's loan programs, will continue to review applications for loans from those funds in accordance with the applicable regulations. Section 2 of the bill would continue the requirement in present AS 42.45.060(g) for legislative approval of loans for projects in which the cumulative state monetary involvement, through loans, grants, and bonds, is at least \$5,000,000 and loans of more than \$5,000,000. Sections 1, 3, 4, and 6 contain conforming amendments to reflect the repeal of AS 42.45.060.

Sections 5 and 7 of the bill would amend AS 42.45.250, which governs loans from the bulk fuel revolving loan fund, to authorize loans from the fund to "persons," defined with reference to AS 01.10.060 to include corporations, cooperatives, joint ventures, and governmental entities, that generate power or supply the public with fuel used in communities with populations of less than 2,000 people, as well as loans to the communities themselves. Presently, the statute authorizes loans to "private individuals" and to the communities. The Department of Law recently interpreted the term "private individuals" to include only natural persons. Section 12 of the bill makes the amendments retroactive to June 1, 1984, to encompass active loans from the fund to such entities.

Section 8 of the bill would amend AS 42.45.400, which requires the AEA to provide technical assistance to rural utilities, to specify that this statutory mandate may not be used as an independent basis for tort liability against the AEA. The AEA would continue to be liable for negligence if it fails to use reasonable care in providing the technical assistance.

Section 10 of the bill would amend AS 44.83.386, relating to investment of the power development fund, to provide that the AEA, rather than the Department of Revenue, shall invest the fund. The AEA, with the concurrence of the Department of Revenue, has been investing the fund since 1993. AEA would continue to remit all fund earnings to the general fund.

Section 11 of the bill, in addition to repealing AS 42.45.060 as discussed above, repeals AS 42.45.200 (the electrical service extension fund, which is inactive), and repeals AS 42.45.250(I)(1) to remove an unnecessary definition of a term that is not used in the statute.

I urge your prompt and favorable action on this measure.

Sincerely yours,

/s/

Frank H. Murkowski  
Governor

**SB 338**

SENATE BILL NO. 338 BY THE SENATE RULES COMMITTEE  
BY REQUEST OF THE GOVERNOR, entitled:

"An Act relating to actionable claims against state employees; relating to the state's defense and indemnification of its employees and former employees with respect to claims arising out of conduct that is within the scope of employment; amending the Public Employment Relations Act regarding claims against the state or state employees; and providing for an effective date."

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

The following fiscal information was published today:

Fiscal Note No. 1, zero, Department of Law

Governor's transmittal letter dated February 13:

Dear President Therriault:

Under the authority of article III, section 18, of the Alaska Constitution, I am transmitting a bill relating to: (1) indemnification of tort claims against state employees; and (2) the attorney general's decision whether to indemnify an employee and arbitration of that decision.

Current Alaska law addresses lawsuits against the state in AS 09.50.250. However, the statutes fail to address a core concept of the Federal Tort Claims Act (FTCA). Under the FTCA, if a lawsuit is filed against a federal employee, and the attorney general of the United States certifies the employee was acting in the scope of employment, the United States is substituted as the defendant for the employee. The individual employee is no longer a defendant in the case. This bill adds this critical concept to Alaska law.

This bill would allow state employees to carry out their duties knowing that if there is a lawsuit filed against them for an act or omission within the scope of their employment, the lawsuit will not proceed against them as an individual. They will not be subject to the burdens court rules place on a "party" including being subject to an award of costs and fees to a prevailing party. The public would benefit as services would not be interrupted while state employees participate in lawsuits.

The bill would further provide that the decision of the attorney general whether to indemnify an employee is not subject to arbitration. An employee who is denied indemnification can contest that decision in the courts.

I urge your prompt and favorable action on this measure.

Sincerely yours,

/s/

Frank H. Murkowski  
Governor

**SB 339**

SENATE BILL NO. 339 BY THE SENATE RULES COMMITTEE  
BY REQUEST OF THE GOVERNOR, entitled:

"An Act relating to reclamation bonding and financial assurance for certain mines; relating to financial assurance limits for lode mines; establishing the mine reclamation trust fund; and providing for an effective date."

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

The following fiscal information was published today:

Fiscal Note No. 1, Department of Revenue

Fiscal Note No. 2, zero, Department of Natural Resources

Governor's transmittal letter dated February 13:

Dear President Therriault:

Under the authority of article III, section 18, of the Alaska Constitution, I am transmitting a bill relating to mine reclamation bonding and financial assurance.

This bill would make three changes to existing law. First, it would remove "lode mines," sometimes referred to as "hard-rock mines," from the current bonding "cap" of \$750 per acre for mine reclamation responsibilities; the cap would remain in effect for placer mines. Second, it would replace the term "performance bond" with the term "financial assurance," and would list various ways to provide that assurance, in order to give mining companies and the state the flexibility to employ a variety of financial assurance vehicles. Third, it would create a mine reclamation trust fund, which would allow the build-up of an adequate reclamation fund through payments made over time and through the earnings on that fund.

These three changes all reflect the fact that satisfactory reclamation of a hard-rock mine is a site-specific issue. A generic dollar-per-acre bond "cap" simply does not work for reclamation responsibilities for hard-rock mines. Each mine is unique, and the optimal vehicle to use to ensure final reclamation depends on many factors including, by way of example: the projected mine life; the need for long-term site management measures (such as to address potential acid mine drainage); and the availability and cost of different bonding tools in the current financial market. Given these and other factors, the state and the mining industry need flexibility in selecting and constructing financial assurances for mine reclamation.

The third element of the bill, the mine reclamation trust fund, is an attempt to accommodate some fiscal realities faced by the industry. It provides the opportunity for the state to set up site-specific funding agreements to accommodate long-term or in-perpetuity reclamation tasks. Examples include the possible need for in-perpetuity water treatment at the Red Dog Mine, long-term monitoring at the Illinois Creek Mine, and in-perpetuity maintenance of the dam for the freshwater recreation lake that Fort Knox Mine is leaving to Alaskans at the request of the Department of Natural Resources. The trust fund concept provides for a method of accommodating long-term or in-perpetuity reclamation needs of this type.

Making deposits into a state-controlled trust fund will have significant benefits for industry and the state. In addition to providing potential benefits under the federal tax code for companies, the state would have access to a fund for mine reclamation work that will retain earnings and increase over time.

The bill would provide that the Department of Revenue would manage investment of the fund, as it does already for a number of other similar state funds. But the Department of Natural Resources would be the agency authorized to make expenditures from the fund for mine reclamation and post-closure site management.

The state's resource agencies, under the leadership of the Department of Natural Resources, have crafted this bill with an understanding of the needs of the industry and the needs of Alaskans who rely on reclamation of the land. This bill is broadly supported by the mining industry.

I urge your prompt and favorable action on this measure.

Sincerely yours,

/s/

Frank H. Murkowski  
Governor

**SB 340**

SENATE BILL NO. 340 BY THE SENATE RULES COMMITTEE  
BY REQUEST OF THE GOVERNOR, entitled:

"An Act relating to the detention of delinquent minors in correctional facilities; relating to emergency detention of minors for evaluation for involuntary admission for mental health treatment; relating to detention of intoxicated minors and minors incapacitated by alcohol or drugs; and providing for an effective date."

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

The following fiscal information was published today:

Fiscal Note No. 1, zero, Department of Health and Social Services

Fiscal Note No. 2, zero, Department of Public Safety

Governor's transmittal letter dated February 13:

Dear President Therriault:

Under the authority of article III, section 18, of the Alaska Constitution, I am transmitting a bill relating to the detention of delinquent and other juveniles.

The 2002 reauthorization of the Juvenile Justice and Delinquency Prevention Act of 1974 (JJDP A) went into effect on October 1, 2003. The JJDP A has traditionally prohibited incarceration of non-offenders and status offenders in adult jails and "lock-ups." New language in the 2002 reauthorization prohibits the use of juvenile detention facilities for these non-offenders and status offenders as of October 1, 2003.

This bill would modify AS 47.12.240, AS 47.30.705, and AS 47.37.170 to come into compliance with the federal requirements set out in the Guidance Manual for Monitoring Facilities Under the Juvenile Justice and Delinquency Prevention Act of 2003. Under these amendments, emergency protective custody of minors may not include placement in a jail or other secure facility. This language is also found in current law relating to placement of children in need of aid in AS 47.10.141(c), and has been interpreted by both state and federal officials to provide sufficient flexibility for holding minors until a more appropriate facility can be found or until transportation to such a facility is feasible. The purpose of this draft bill is to preserve Alaska's federal formula grant receipts of approximately \$700,000 and to meet certain requirements to apply for other federal grant money through the federal office of juvenile justice and delinquency prevention.

I urge your prompt and favorable action on this measure.

Sincerely yours,

/s/

Frank H. Murkowski

Governor

**SB 341**

SENATE BILL NO. 341 BY THE SENATE RULES COMMITTEE  
BY REQUEST OF THE GOVERNOR, entitled:

"An Act relating to the administration of the Alaska  
Vocational Technical Center; and providing for an  
effective date."

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

The following fiscal information was published today:

Fiscal Note No. 1, zero, Department of Labor and Workforce  
Development

Governor's transmittal letter dated February 13:

Dear President Therriault:

Under the authority of article III, section 18, of the Alaska  
Constitution, I am transmitting a bill relating to the Alaska Vocational  
Technical Center (AVTEC). AVTEC is a vocational training provider  
located in Seward. In 2003, the responsibility to administer AVTEC  
was transferred from the Department of Education and Early  
Development to the Department of Labor and Workforce  
Development. However, the authority for the Department of Labor and  
Workforce Development (department) to administer and set rates for  
AVTEC's programs and services was not provided for in the transfer.  
This bill would correct that oversight.

Section 1 of the bill proposes to amend AS 44.31.020 to provide the  
statutory authority for the department to administer the programs of  
AVTEC and to set rates for student tuition and room and board, and  
other fees for the programs and services provided by AVTEC.

I urge your prompt and favorable action on this measure.

Sincerely yours,

/s/

Frank H. Murkowski  
Governor



**SB 342**

SENATE BILL NO. 342 BY THE SENATE RULES COMMITTEE  
BY REQUEST OF THE GOVERNOR, entitled:

"An Act relating to the release of employment security records, to the admissibility of determinations and decisions regarding unemployment compensation benefits, and to contributions, interest, penalties, and payments under the Alaska Employment Security Act; providing that property under the Alaska Employment Security Act is not subject to the Uniform Unclaimed Property Act; and providing for an effective date."

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

The following fiscal information was published today:

Fiscal Note No. 1, zero, Department of Labor and Workforce  
Development

Governor's transmittal letter dated February 13:

Dear President Therriault:

Under the authority of article III, section 18, of the Alaska Constitution, I am transmitting a bill relating to the: (1) the release of employment security records for law enforcement purposes; (2) administrative hearing decisions on unemployment benefits; and (3) federal compliance and other technical corrections to the Alaska Employment Security Act.

This bill would allow the Department of Labor (DOL) to release employment security records to a state district attorney, a municipal attorney, a United States attorney, and the Federal Bureau of Investigation for use in criminal investigations and prosecutions. Under current law, employment security records are confidential for criminal investigation and prosecution purposes.

This bill would codify the Alaska Supreme Court's decision in Manning v. Alaska Railroad Corporation, 853 P.2d 1120 (Alaska 1993). In that case, the court held that the commissioner of DOL's decision granting the plaintiff unemployment benefits did not automatically require a finding of wrongful termination in a later court case. Unemployment claims rarely provide an incentive for the employer to participate, much less spend a significant amount of time and money investigating the facts and bringing those facts to the attention of the hearing officer. Employers have little incentive to participate in an unemployment benefits claim hearing since their bottom line is only marginally affected by the outcome. This gives an employee the opportunity to receive a favorable decision in an uncontested unemployment benefits claim and unfairly leverage that decision against the employer in a later court case.

Finally, the bill makes a number of changes to bring Alaska law into compliance with federal law, resolves conflicts in Alaska statutes and makes other technical amendments. Other changes include provisions dealing with payment and collection of unemployment taxes by DOL from employers, expanding the ability of DOL to collect overpayments of unemployment compensation benefits on behalf of other states, clarifying which health professionals are excluded from the Alaska Employment Security Act, and clarifying that the definition of "wages" does not include education assistance. Of these, the principal change would remove the requirement that unemployment compensation be deposited into the unclaimed property fund. Federal law requires such funds to be deposited into the unemployment insurance trust fund.

Sincerely yours,

/s/

Frank H. Murkowski  
Governor

**SB 343**

SENATE BILL NO. 343 BY SENATOR ELLIS, entitled:

"An Act changing the name of the Board of Game to the Board of Wildlife and relating to the purposes and membership of the Board of Wildlife; and providing for an effective date."

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

**SB 344**

SENATE BILL NO. 344 BY SENATOR SEEKINS, entitled:

"An Act relating to the Uniform Probate Code and trusts, including pleadings, orders, nonprobate assets, estates of decedents, minors, protected persons, incapacitated persons, guardians, conservators, trustees, foreign trusts, principal and income, and transfer restrictions; relating to corporate voting trusts; and providing for an effective date."

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

**SB 345**

SENATE BILL NO. 345 BY SENATOR SEEKINS, entitled:

"An Act relating to civil liability associated with aircraft runways, airfields, and landing areas."

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

**SB 346**

SENATE BILL NO. 346 BY SENATOR STEDMAN, entitled:

"An Act approving the monetary terms of the collective bargaining agreement with the International Organization of Masters, Mates, and Pilots, Pacific Maritime Region, for the Masters, Mates, and Pilots Unit for fiscal year 2004; and providing for an effective date."

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

**SB 347**

SENATE BILL NO. 347 BY SENATOR BEN STEVENS BY REQUEST, entitled:

"An Act relating to moratoria on entry of new participants or vessels into a commercial fishery; relating to the establishment of a moratorium on entry of new vessels into state groundfish fisheries in the Gulf of Alaska and adjacent state marine water; and providing for an effective date."

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

**SB 348**

SENATE BILL NO. 348 BY SENATOR THERRIAULT, entitled:

"An Act approving the sale of royalty oil by the State of Alaska to Flint Hills Resources Alaska, LLC, and Flint Hills Resources, LLC; and providing for an effective date."

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

**SB 349**

SENATE BILL NO. 349 BY SENATOR DAVIS, entitled:

"An Act requiring licensure of midwifery birth centers; and providing for an effective date."

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

**SB 350**

SENATE BILL NO. 350 BY SENATOR GARY STEVENS, entitled:

"An Act relating to the four dam pool joint action agency; and providing for an effective date."

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

### **Consideration of the Calendar**

#### **Third Reading of Senate Bills**

##### **SB 283**

CS FOR SENATE BILL NO. 283(FIN) "An Act making an appropriation to reverse the deposit of money available for appropriation in the general fund at the end of fiscal year 2003 into the constitutional budget reserve fund; making an appropriation for investment management fees for the constitutional budget reserve fund; making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional budget reserve fund; and providing for an effective date" was read the third time.

Senator Wagoner, Acting Majority Leader, moved and asked unanimous consent that Senator Davis be excused from a call of the Senate today. Without objection, Senator Davis was excused.

##### **SB 283**

The question being: "Shall CS FOR SENATE BILL NO. 283(FIN) "An Act making an appropriation to reverse the deposit of money available for appropriation in the general fund at the end of fiscal year 2003 into the constitutional budget reserve fund; making an appropriation for investment management fees for the constitutional budget reserve fund; making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional budget reserve fund; and providing for an effective date" pass the Senate?" The roll was taken with the following result:

CSSB 283(FIN)

Third Reading - Final Passage

Effective Date

**YEAS: 17 NAYS: 0 EXCUSED: 3 ABSENT: 0**

Yeas: Bunde, Cowdery, Dyson, Ellis, Elton, French, Green, Guess, Hoffman, Lincoln, Ogan, Olson, Seekins, Stevens B, Stevens G, Wagoner, Wilken

Excused: Davis, Stedman, Therriault

and so, CS FOR SENATE BILL NO. 283(FIN) passed the Senate.

Senator Wagoner, Acting Majority Leader, moved and asked unanimous consent that the vote on the passage of the bill be considered the vote on the effective date clause. Without objection, it was so ordered.

Senator Wagoner, Acting Majority Leader, moved for the adoption of the constitutional budget reserve fund section.

The question being: "Shall the constitutional budget reserve fund section (Article IX, Section 17(c) Constitution of the State of Alaska) be adopted?" The roll was taken with the following result:

CSSB 283(FIN)

Constitutional Budget Reserve Fund Section

**YEAS: 17 NAYS: 0 EXCUSED: 3 ABSENT: 0**

Yeas: Bunde, Cowdery, Dyson, Ellis, Elton, French, Green, Guess, Hoffman, Lincoln, Ogan, Olson, Seekins, Stevens B, Stevens G, Wagoner, Wilken

Excused: Davis, Stedman, Therriault

and so, the constitutional budget reserve fund section was adopted.

#### **Citations**

Honoring – August Hiebert

Representative(s) Gara

Senator(s) Ellis, Therriault, Bunde, Cowdery, Davis, Dyson, Elton, French, Green, Guess, Hoffman, Lincoln, Ogan, Seekins, Stedman, Ben Stevens, Gary Stevens, Wagoner, Wilken

Honoring – University of Alaska Women's Basketball Team

Representative(s) Meyer

Senator(s) Cowdery, Therriault, Davis, Dyson, Elton, French, Green, Guess, Hoffman, Lincoln, Ogan, Seekins, Stedman, Ben Stevens, Gary Stevens, Wagoner, Wilken

In Memoriam – Robert Lynn Plymire

Senator(s) Gary Stevens, Therriault, Bunde, Cowdery, Davis, Dyson, Elton, Green, Guess, Hoffman, Lincoln, Ogan, Seekins, Stedman, Ben Stevens, Wagoner, Wilken

Representative(s) Seaton

In Memoriam – Japhet J. Anvil

Senator(s) Hoffman, Therriault, Bunde, Cowdery, Davis, Dyson, Elton, Green, Guess, Lincoln, Ogan, Seekins, Stedman, Ben Stevens, Gary Stevens, Wagoner, Wilken

Representative(s) Kapsner

In Memoriam – Alexie “Tutmaralia” Isaac

Senator(s) Hoffman, Therriault, Bunde, Cowdery, Davis, Dyson, Elton, Green, Guess, Lincoln, Ogan, Seekins, Stedman, Ben Stevens, Gary Stevens, Wagoner, Wilken

Representative(s) Kapsner

In Memoriam – Senator Frank R. Parraq Ferguson

Representative(s) Joule

Senator(s) Olson, Therriault, Bunde, Cowdery, Davis, Dyson, Ellis, Elton, French, Green, Guess, Hoffman, Lincoln, Ogan, Seekins, Stedman, Ben Stevens, Gary Stevens, Wagoner, Wilken

In Memoriam – Chief Peter John

Representative(s) Morgan

Senator(s) Lincoln, Therriault, Bunde, Cowdery, Davis, Dyson, Ellis, Elton, French, Green, Guess, Hoffman, Ogan, Seekins, Stedman, Ben Stevens, Gary Stevens, Wagoner, Wilken

In Memoriam – Nick P. Mellick, Jr.

Representative(s) Morgan

Senator(s) Lincoln, Therriault, Bunde, Cowdery, Davis, Dyson, Elton, Green, Guess, Hoffman, Ogan, Seekins, Stedman, Ben Stevens, Gary Stevens, Wagoner, Wilken

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

Senator Wagoner, Acting Majority Leader, 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 – Victims of the August 20, 2003 Russian Helicopter Crash on Sakhalin Island

Representative(s) Weyhrauch, Kerttula

Senator(s) Elton, Therriault, Cowdery, Davis, Dyson, Green, Guess, Hoffman, Lincoln, Olson, Seekins, Stedman, Ben Stevens, Gary Stevens, Wagoner, Wilken

Senator Wagoner, Acting Majority Leader, moved and asked unanimous consent that the citation be adopted. Without objection, the citation was adopted and referred to the Secretary for transmittal.

### **Announcements**

Announcements are at the end of the journal.

### **Adjournment**

Senator Wagoner, Acting Majority Leader, moved and asked unanimous consent that the Senate stand in adjournment until 11:00 a.m., February 18, 2004. Without objection, the Senate adjourned at 12:49 p.m.

Kirsten Waid  
Secretary of the Senate

February 2004



**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**

<b>Feb 16</b>	<b>Monday</b>	<b>Fahrenkamp 203</b>	<b>1:30 PM</b>
	No Meeting Scheduled		
<b>Feb 18</b>	<b>Wednesday</b>	<b>Fahrenkamp 203</b>	<b>1:30 PM</b>
+ SB 227	MUNI INITIATIVE AND REFERENDUM ELECTIONS		
	Bills Previously Heard		
+ SB 269	PARENT ACCESS TO CHILD'S LIBRARY RECORDS		
<b>Feb 20</b>	<b>Friday</b>	<b>Fahrenkamp 203</b>	<b>1:30 PM</b>
	No Meeting Scheduled		

-----

**FINANCE**

<b>Feb 16</b>	<b>Monday</b>	<b>Senate Finance 532</b>	<b>9:00 AM</b>
	No Meeting Scheduled		
<b>Feb 17</b>	<b>Tuesday</b>	<b>Senate Finance 532</b>	<b>9:00 AM</b>
+ HB 374	SENIORCARE		
+ SB 277	STUDENT LOAN PROGRAMS		
+ SB 241	APPROP: NATURAL GAS DEVELOPMENT AUTHORITY		
	Bills Previously Heard/Scheduled		

**FINANCE (continued)**

- Feb 18      Wednesday                      Senate Finance 532              9:00 AM**  
 Joint w/(H) Finance Committee  
 +              State of the University Address  
                  President Mark Hamilton  
                  University of Alaska  
 +              Bills Previously Heard/Scheduled
- Feb 19      Thursday                              Senate Finance 532              9:00 AM**  
 PERS/TRS Presentation  
 Ms. Melanie Millhorn, Director  
 Division of Retirement & Benefits  
 +    SB 203    OFFICE OF ADMINISTRATIVE HEARINGS  
 +    SB 285    MEDICAL ASSISTANCE COVERAGE  
 +    SB 289    EXTENDING THE SPECIAL ED SERVICE AGENCY  
 Bills Previously Heard/Scheduled
- Feb 20      Friday                                      Senate Finance 532              9:00 AM**  
 += SB 82    ALCOHOLIC BEVERAGE TAX FOR WINE & OTHERS  
 +    SB 313    FIRST SUPPLEMENTAL APPROPRIATION  
 +    SB 314    SECOND SUPPLEMENTAL APPROPRIATION  
 +              Bills Previously Heard/Scheduled

-----

**HEALTH, EDUCATION & SOCIAL SERVICES**

- Feb 16      Monday                                      Butrovich 205              1:30 PM**  
 No Meeting Scheduled
- Feb 18      Wednesday                              Butrovich 205              1:30 PM**  
 No Meeting Scheduled
- Feb 20      Friday                                      Butrovich 205              1:30 PM**  
 -- Time Change --  
 +    SB 301    PIONEERS' HOMES/VETERANS' HOMES  
 +    SB 274    HOUSING PROGRAMS  
 += SB 239    LENGTH OF SCHOOL TERM  
 +    SB 269    PARENT ACCESS TO CHILD'S LIBRARY RECORDS  
                  <Pending Referral>  
 +              Bills Previously Heard If Necessary

-----

**JUDICIARY**

**Feb 16 Monday Butrovich 205 8:00 AM**  
 No Meeting Scheduled

**Feb 18 Wednesday Butrovich 205 8:00 AM**  
 + SB 288 EMERGENCY CHILD CUSTODY PLACEMENT  
 + HB 252 OCC LICENSING: TERMS OF BD & CONT. EDUC  
 += SB 217 GENETIC PRIVACY

**Feb 20 Friday Butrovich 205 8:00 AM**  
 + HB 31 INITIATIVE/REFERENDUM PETITIONS  
 + SB 307 APPEAL BONDS: TOBACCO SETTLEMENT PARTIES  
 += SB 300 ATTORNEY'S LIEN

-----

**LABOR & COMMERCE**

**Feb 17 Tuesday Beltz 211 1:30 PM**  
 + SB 299 BAD CHECK CHARGE  
 + SB 242 GAMING  
 Bills Previously Heard/Including but  
 Not Limited to:  
 += SB 286 DIRECT MARKETING FISHERIES BUSINESS  
 += SB 276 ALASKA INSURANCE GUARANTY ASSOCIATION

**Feb 19 Thursday Beltz 211 1:30 PM**  
 + SB 306 NATUROPATHIC MEDICINE  
 + SB 263 EXTEND ALASKA COMMISSION ON AGING  
 Bills Previously Heard/Including but  
 Not Limited to:  
 += SB 278 LABOR & WORKFORCE DEVELOPMENT FEES  
 += SB 311 INSURANCE & WORKERS' COMPENSATION SYSTEM

-----

**RESOURCES**

**Feb 16 Monday Butrovich 205 3:30 PM**  
 + SB 190 KENAI RIVER SPECIAL MANAGEMENT AREA  
 += SB 271 NATURAL GAS DEVEL AUTHORITY PROJECTS  
 + Bills Previously Heard/Scheduled

**RESOURCES (continued)**

**Feb 18      Wednesday                      Butrovich 205              3:30 PM**  
 + SB 305 ASSERTING STATE TITLE TO SUBMERGED LAND  
 + SB 295 EXTEND NAVIGABLE WATERS COMMISSION  
 + SJR 27 SUBMERGED LAND TITLE DISPUTES  
 + Donlin Creek Project Update  
 + Bills Previously Heard/Scheduled

**Feb 20      Friday                                      Butrovich 205              3:30 PM**  
 + SJR 26 SALMON ENHANCEMENT IN WILDERNESS AREAS  
 + SB 303 BIG GAME GUIDE BOARD & SERVICES  
 + Bills Previously Heard/Scheduled

**Feb 23      Monday                                      Butrovich 205              3:30 PM**  
 + SB 312 CONVENTIONAL & NONCONVENTIONAL GAS LEASES  
 + Bills Previously Heard/Scheduled

**Feb 25      Wednesday                                  Butrovich 205              3:30 PM**  
 + Overview Presentation:  
 MidAmerican Energy Holding Co

**Feb 27      Friday    Butrovich 205              3:30 PM**  
 + Bills Previously Heard/Scheduled

-----

**STATE AFFAIRS**

**Feb 17      Tuesday    Beltz 211                      3:30 PM**  
 HB 304 JACK COGHILL BRIDGE TO THE INTERIOR  
 + SB 284 PF DIVIDEND APPLICATION RECORDS PRIVATE  
 Bills Previously Heard/Scheduled

**Feb 19      Thursday    Beltz 211                      3:30 PM**  
 SB 296 PAPER TRAIL FOR ELECTRONIC VOTING MACHINE  
 + SB 302 OATHS; NOTARIES PUBLIC; STATE SEAL  
 Bills Previously Heard/Scheduled

-----

**TRANSPORTATION**

**Feb 17      Tuesday    Butrovich 205              1:30 PM**  
 + SB 260 METROPOLITAN PLANNING ORGANIZATIONS

**TRANSPORTATION (continued)**

<b>Feb 19</b>	<b>Thursday</b> Yukon Delegation	<b>Butrovich 205</b>	<b>1:30 PM</b>
<b>Feb 28</b>	<b>Saturday</b> -- Time and Location Change -- Special Meeting: Overview of the Knik Arm Crossing 9:30 - 11:30 am	<b>Anch Lio Conf Rm</b>	<b>9:30 AM</b>

-----  
**JOINT COMMITTEES**

**ARMED SERVICES COMMITTEE**

<b>Feb 25</b>	<b>Wednesday</b> -- Time Change -- Alaskan Command's Annual Address by Lt.General Carrol H."Howie" Chandler Testimony by Invitation Only	<b>Senate Finance 532</b>	<b>9:00 AM</b>
---------------	---	---------------------------	----------------

-----  
**LEGISLATIVE BUDGET & AUDIT**

<b>Feb 19</b>	<b>Thursday</b> Audits and Other Committee Business	<b>House Finance 519</b>	<b>12:00 PM</b>
---------------	--	--------------------------	-----------------

-----  
**OTHER MEETINGS**

**CHILDREN'S CAUCUS**

<b>Feb 17</b> +	<b>Tuesday</b> Let's Talk Healthy Relationships Program	<b>Butrovich 205</b>	<b>12:00 PM</b>
<b>Feb 25</b> +	<b>Wednesday</b> Bring Alaska's Children Home From Out Of State Treatment	<b>Butrovich 205</b>	<b>12:00 PM</b>

-----

SENATE JOURNAL

2200

February 16, 2004

**JOINT SESSION**

<b>Feb 16</b>	<b>Monday</b> Address by U.S. Senator Ted Stevens	<b>House Chamber</b>	<b>11:00 AM</b>
<b>Feb 25</b>	<b>Wednesday</b> State of the Judiciary Chief Justice Alexander O. Bryner	<b>House Chamber</b>	<b>11:00 AM</b>
<b>Mar 16</b>	<b>Tuesday</b> Address by U.S. Senator Lisa Murkowski	<b>House Chamber</b>	<b>11:00 AM</b>