

SENATE JOURNAL

ALASKA STATE LEGISLATURE

TWENTY-THIRD LEGISLATURE -- SECOND SESSION

Juneau, Alaska

Wednesday

February 18, 2004

Thirty-eighth Day

Pursuant to adjournment the Senate was called to order by President Therriault at 11:32 a.m.

The roll showed 19 members present. Senator Davis was absent.

Senator Ben Stevens moved and asked unanimous consent that Senator Davis be excused from a call of the Senate today and on February 20. Without objection, Senator Davis was excused.

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.

Dear Lord: Let us not be frightened by the problems that confront us, but rather give thanks that You have matched us with this hour. May we resolve, with our father God helping us, to be part of the answer, and not part of the problem.

Save us from hotheads that would lead us to act foolishly, and from cold feet that would keep us from acting at all.

Lord, when we are wrong, make us willing to change; and when we are right, make us easy to live with. And when the day has finished, may we take a moment to say thank You for Your care and watchfulness over our loved ones as we seek to serve this state and its peoples. Amen.

Senator Ellis led the Senate in the Pledge of Allegiance.

Certification

Senator Ben Stevens moved and asked unanimous consent that the journals for the thirty-sixth and thirty-seventh legislative days, Senate Journal Supplement No. 6, House and Senate Joint Journal Supplement No. 13 and Senate and House Joint Journal Supplement No. 14 be approved as certified by the Secretary. Without objection, it was so ordered.

Introduction of Guests

Senator Dyson introduced the following members of the Yukon Legislative Assembly from the Yukon Territory, Canada: The Honorable Ted Staffen, Speaker of the Legislative Assembly; The Honorable Elaine Taylor, Minister of Tourism and Culture and Minister of Justice; The Honorable Glenn Hart, Minister of Highways and Public Works, Minister of Community Services, Minister responsible for the Yukon Liquor Corporation, and Minister responsible for Yukon Housing Corporation; Mr. Haakon Arntzen, Legislative Assembly Member; Mr. Brad Cathers, Legislative Assembly Member; and Mr. Todd Hardy, Leader of the Official Opposition and Member of the New Democratic Party.

Senator Ben Stevens moved and asked unanimous consent to move down the calendar to Unfinished Business. Without objection, the Senate proceeded to:

Unfinished Business

Senator Dyson moved and asked unanimous consent that the concur message read February 13 and held on the Secretary's desk (page 2152) be brought up as a Special Order of Business at this time. Without objection, it was so ordered.

Special Order of Business**Concur Messages****SB 56**

Message dated February 9 was read, stating the House passed and returned for consideration CS FOR SENATE BILL NO. 56(FIN) "An Act relating to sport fishing license fees and anadromous king salmon tag fees for residents of Yukon, Canada; and providing for an effective date" with the following amendment:

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

Senator Ben Stevens moved that the Senate concur in the House amendment.

The question being: "Shall the Senate concur in the House amendment?" The roll was taken with the following result:

HCS CSSB 56(FIN)

Shall the Senate Concur in the House

Amendment to CSSB 56(FIN)? Effective Date

YEAS: 18 NAYS: 1 EXCUSED: 1 ABSENT: 0

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

Nays: Green

Excused: Davis

and so, the Senate concurred in the House amendment, thus adopting HOUSE CS FOR CS FOR SENATE BILL NO. 56(FIN) "An Act relating to sport fishing license fees and anadromous king salmon tag fees for residents of Yukon, Canada; and providing for an effective date."

Senator Ben Stevens 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.

The Secretary was requested to notify the House.

The bill was referred to the Secretary for enrollment.

Without objection, the Senate returned to:

Messages from the Governor

HB 209

Message dated February 13 and received February 16 was read, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR HOUSE BILL NO. 209(RLS) "An Act relating to municipal property tax adjustments for property affected by a disaster."

Chapter 1, SLA 2004
Effective Date: 05/13/04

SB 173

Message dated February 16 and received February 17 was read, stating the Governor signed the following bill and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE BILL NO. 173(efd fld) "An Act repealing statutes pertaining to the Alaska Science and Technology Foundation and transferring money in the foundation's endowment; repealing statutes relating to the BIDCO assistance program; repealing statutes pertaining to the international trade and business endowment and transferring money in the international trade and business endowment; transferring oversight administration of outstanding Alaska Science and Technology Foundation loans and grants to the Alaska Industrial Development and Export Authority; establishing an Alaska BIDCO assistance program to be administered by the Department of Community and Economic Development; and making conforming amendments."

Chapter 2, SLA 2004
Effective Date: 05/16/04

Message dated February 17 was received, stating:

Dear President Therriault and Speaker Kott:

Enclosed for your consideration are copies of the four resolutions as presented to me, which were passed by the 55 delegates to the Conference of Alaskans, held February 10 – 12 in Fairbanks. I am also forwarding a letter adopted by the delegates.

In my view, the conference was a success and provided for broad public involvement. The delegates substantively debated before a statewide audience the four issues I had presented them. The conference served to elevate these crucial questions for the public by the tone and content of their debate. The conference should be seen by us all as an indication from the people to get us to resolution of our fiscal situation this year. I truly appreciate the sacrifice of time and effort made by each of the participants in the conference.

As you know, I asked the conference to provide responses to four questions related to the percent of market value approach to management of the Permanent Fund, use of a portion of Permanent Fund income to pay for essential public services, the dividend, and maintaining a minimum balance in the Constitutional Budget Reserve (CBR).

On the first and fourth questions, the conference was clear that it prefers the percent of market value approach to current management of the fund, and that a prudent balance should be maintained in the CBR.

On the second and third questions, the majority of the members of the conference agreed that a portion of the income should be used to support essential public services, and that the dividend should be protected in the Constitution. However, the specific details as to how those solutions should be crafted were appropriately left to the Legislature and the administration to work out.

I look forward to working with you and all members of the Legislature on those details, and crafting legislative approaches acceptable to the people of Alaska. Thank you for your cooperation.

Sincerely yours,

/s/

Frank H. Murkowski
Governor

President Therriault referred the letter and resolutions to the Finance Committee.

Messages from the House

Message dated February 16 was read, stating the House passed and transmitted for consideration:

First Reading and Reference of House Resolutions

HJR 32

CS FOR HOUSE JOINT RESOLUTION NO. 32(FSH) am BY THE HOUSE SPECIAL COMMITTEE ON FISHERIES,

Relating to the labeling of fish and fishery food products.

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

Communications

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

Report Regarding Progress of Each School and School District Toward High Academic Performance By All Students, February 15, 2004

from Roger Sampson, Commissioner, Department of Health and Social Services

in accordance with AS 14.03.078

Standing Committee Reports**SB 260**

The Transportation Committee considered SENATE BILL NO. 260 "An Act relating to metropolitan planning organizations and to establishment of a metropolitan planning organization for the Anchorage metropolitan area; and providing for an effective date" and recommended it be replaced with

CS FOR SENATE BILL NO. 260(TRA) "An Act relating to metropolitan planning organizations and to the policy board of the metropolitan planning organization for the Anchorage metropolitan area; and providing for an effective date."

Signing do pass: Senator Cowdery, Cochair. Signing no recommendation: Senator Wagoner, Cochair; Senators Therriault, Olson, Lincoln.

The following previously published fiscal information applies:

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

The bill was referred to the Rules Committee.

SB 271

The Resources Committee considered SENATE BILL NO. 271 "An Act amending the purpose of the Alaska Natural Gas Development Authority to include planning, developing, constructing, managing, or operating an economically viable gas pipeline project from the North Slope of Alaska by a route that parallels the Trans Alaska Pipeline System or the Alaska Highway; authorizing evaluation of opportunities for private sector involvement in the project; amending requirements related to the Authority's preparation of a development plan; and providing for an effective date." Signing do pass: Senator Ogan, Chair; Senators Seekins, Wagoner, Dyson. Signing no recommendation: Senators Lincoln, Elton.

The following fiscal information was published today:

Fiscal Note No. 1, indeterminate, Department of Revenue

The bill was referred to the Finance Committee.

SB 276

The Labor and Commerce Committee considered SENATE BILL NO. 276 "An Act relating to the Alaska Insurance Guaranty Association; relating to joint insurance arrangements and assessments to the association; relating to the powers of the Alaska Industrial Development and Export Authority concerning the association; and providing for an effective date" and recommended it be replaced with

CS FOR SENATE BILL NO. 276(L&C) "An Act relating to the Alaska Insurance Guaranty Association; relating to the powers of the Alaska Industrial Development and Export Authority concerning the association; and providing for an effective date."

and further recommends the adoption of the following Labor and Commerce Committee Letter of Intent.

Letter of Intent
for
CS FOR SENATE BILL NO. 276(L&C)

It is the *intent* of the legislature to use the earnings of the Permanent Fund to cover the deficit left in the Workers' Compensation program ensuing from the unexpected insolvency of the Fremont Indemnity Company in 2003.

In order to minimize the impact upon the business community and employees, and by using sound insurance principles, it is our intent to spread the costs associated with this crisis over the greatest number of Alaskans who stand to benefit from workers comp...those that are currently employed and those that will be employed in the future.

It is also the intent of the legislature to spread out these appropriations to the Workers' Compensation Program over the course of 5 years to cover the projected shortfalls:

2004~ \$5,828,460

2005~ \$8,890,657

2006~ \$3,825,191

2007~ \$1,406,865

2008~ \$ 263,998

Total: \$20,215,171

Signing do pass: Senator Bunde, Chair; Senators Seekins, Gary Stevens. Signing do not pass: Senator French.

The following fiscal information was published today:

Fiscal Note No. 6, Senate Labor and Commerce Committee

The bill was referred to the Finance Committee.

SB 284

The State Affairs Committee considered SENATE BILL NO. 284 "An Act relating to an optional election to prevent the name and address of a permanent fund dividend applicant from being disclosed, except to a state or federal agency" and recommended it be replaced with

CS FOR SENATE BILL NO. 284(STA) "An Act relating to an optional election to prevent the name and address of a permanent fund dividend applicant from being disclosed, except to a local, state, or federal government agency, or in compliance with a court order."

Signing do pass: Senator Gary Stevens, Chair; Senators Guess, Hoffman.

Fiscal information forthcoming.

The bill was referred to the Finance Committee.

SB 286

The Labor and Commerce Committee considered SENATE BILL NO. 286 "An Act relating to direct marketing fisheries businesses, to the fisheries business tax, and to liability for payment of taxes and assessments on the sale or transfer of fishery resources; and providing for an effective date" and recommended it be replaced with

CS FOR SENATE BILL NO. 286(L&C)

Signing do pass: Senator Bunde, Chair; Senators French, Seekins, Gary Stevens.

The following fiscal information was published today:

Fiscal Note No. 1, Department of Revenue

Fiscal Note No. 2, zero, Department of Fish and Game

The bill was referred to the Finance Committee.

SB 299

The Labor and Commerce Committee considered SENATE BILL NO. 299 "An Act relating to a charge for a bad check." Signing do pass: Senator Bunde, Chair; Senators Seekins, Gary Stevens. Signing no recommendation: Senator French.

The following fiscal information was published today:

Fiscal Note No. 1, zero, Department of Administration

The bill was referred to the Finance Committee.

HB 304

The State Affairs Committee considered HOUSE BILL NO. 304 "An Act naming the Jack Coghill Bridge to the Interior." Signing do pass: Senators Gary Stevens, Chair; Senators Guess, Hoffman.

The following previously published fiscal information applies:

Fiscal Note No. 2, zero, Department of Transportation and Public Facilities

The bill was referred to the Rules Committee.

HB 374

The Finance Committee considered CS FOR HOUSE BILL NO. 374(FIN) am "An Act establishing the senior care program and relating to that program; creating a new fund for the provision of senior services; relating to aid to senior citizens; and providing for an effective date." Signing do pass: Senators Green, Wilken, Cochairs; Senator Dyson. Signing amend: Senators Hoffman, Olson, Bunde, Ben Stevens.

The following previously published fiscal information applies:

Fiscal Note No. 6, Department of Health and Social Services

Fiscal Note No. 7, Department of Health and Social Services

Fiscal Note No. 8, Department of Health and Social Services

Fiscal Note No. 9, Department of Health and Social Services

Fiscal Note No. 10, Department of Health and Social Services

The bill is on today's calendar.

Introduction and Reference of Senate Bills**SB 351**

SENATE BILL NO. 351 BY THE SENATE FINANCE COMMITTEE, entitled:

"An Act requiring the Alaska Public Offices Commission to accept documents by nonelectronic means."

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

Consideration of the Calendar**Second Reading of House Bills****HB 374**

CS FOR HOUSE BILL NO. 374(FIN) am "An Act establishing the senior care program and relating to that program; creating a new fund for the provision of senior services; relating to aid to senior citizens; and providing for an effective date" was read the second time.

President Therriault stated CS FOR HOUSE BILL NO. 374(FIN) am will be on the February 19 calendar.

Citations

Honoring – Edward Lee Gorsuch
Senator(s) Davis, Therriault, Bunde, Cowdery, Dyson, Ellis, Elton, French, Guess, Hoffman, Lincoln, Seekins, Stedman, Ben Stevens, Gary Stevens, Wagoner, Wilken

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

Unfinished Business

Senator Hoffman moved and asked unanimous consent to be excused from a call of the Senate on February 19. Without objection, Senator Hoffman was excused.

Senator Ben Stevens moved and asked unanimous consent that Senator Davis be excused from a call of the Senate on February 19. Without objection, Senator Davis was excused.

Announcements

Announcements are at the end of the journal.

Engrossment

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," which passed the Senate February 16 (page 2191), was engrossed, signed by the President and Secretary and transmitted to the House for consideration.

Adjournment

Senator Ben Stevens moved and asked unanimous consent that the Senate stand in adjournment until 11:00 a.m., February 19, 2004. Without objection, the Senate adjourned at 11:57 a.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

Feb 18 Wednesday Fahrenkamp 203 1:30 PM
 + SB 227 MUNI INITIATIVE AND REFERENDUM ELECTIONS
 Bills Previously Heard
 += SB 269 PARENT ACCESS TO CHILD'S LIBRARY RECORDS

Feb 20 Friday Fahrenkamp 203 1:30 PM
 No Meeting Scheduled

FINANCE

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
 <Bill Hearing Postponed>
 + Bills Previously Heard/Scheduled
 += SB 277 STUDENT LOAN PROGRAMS
 (ADDED)

FINANCE (continued)

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 18 Wednesday Butrovich 205 1:30 PM
 No Meeting Scheduled

Feb 20 Friday Butrovich 205 1:30 PM
 -- Meeting Canceled --
 -- 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
 + Bills Previously Heard If Necessary

JUDICIARY

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

RESOURCES

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 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

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TRANSPORTATION

Feb 19 **Thursday** **Butrovich 205** **1:30 PM**
Yukon Delegation

Feb 28 **Saturday** **Anch Lio Conf Rm** **9:30 AM**
-- Time and Location Change --
Special Meeting: Overview of the Knik
Arm Crossing
9:30 - 11:30 am

JOINT COMMITTEES

ARMED SERVICES COMMITTEE

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

LEGISLATIVE BUDGET & AUDIT

Feb 19 **Thursday** **House Finance 519** **12:00 PM**
Audits and Other Committee Business

SELECT CMTE ON LEGISLATIVE ETHICS

Feb 26 **Thursday** **Fahrenkamp 203** **8:00 AM**
8:00 a.m.-11:15 a.m.& 1:15 p.m.-4:15 p.m.
Full Committee: Open Session
Advisory Opinions
Open Meetings
House Subcommittee: Executive Session

OTHER MEETINGS**CHILDREN'S CAUCUS**

Feb 25 **Wednesday** **Butrovich 205** **12:00 PM**
 + Bring Alaska's Children Home From
 Out Of State Treatment

ENERGY POLICY TASK FORCE

Feb 24 **Tuesday** **Anchorage** **1:00 PM**
 AIDEA/AEA Board Room
 813 W. Northern Lights Blvd., Third Floor
 1:00 pm to 5:00 pm

JOINT SESSION

Feb 25 **Wednesday** **House Chamber** **11:00 AM**
 State of the Judiciary
 Chief Justice Alexander O. Bryner

Mar 16 **Tuesday** **House Chamber** **11:00 AM**
 Address by U.S. Senator Lisa Murkowski

MISCELLANEOUS MEETINGS

Feb 24 **Tuesday** **Butrovich 205** **12:00 PM**
 + Joint Legislative Health Caucus
 "The Big View of Individual Seniors &
 Their Health Care"