

HOUSE JOURNAL
ALASKA STATE LEGISLATURE
TWENTY-NINTH LEGISLATURE
THIRD SPECIAL SESSION

Juneau, Alaska

Saturday

October 24, 2015

First Day

Pursuant to the Governor's proclamation dated September 24, 2015, calling the legislature into special session, the House was called to order by Speaker Chenault at 11:02 a.m.

Roll call showed 36 members present.

Representative Millett moved and asked unanimous consent that Representatives Claman, Gruenberg, Hawker, and Pruitt be excused from a call of the House today. There being no objection, it was so ordered.

The invocation was offered by the Chaplain, Stephanie Hall, Assistant Chief Clerk. Representative Wilson moved and asked unanimous consent that the invocation be spread on the journal. There being no objection, it was so ordered.

With the deepest respect for the religious beliefs of all Alaskans, I offer the following prayer:

Dear Lord, thank you for this day and the opportunity to serve you. Keep us mindful of those in need; comfort and heal those who are sick and suffering.

We ask your blessing on the work you have given us to do and help us listen for your guidance in the decisions we are called to make. Grant us strength, courage, and harmony as we seek to do your will.

I ask this in your name. Amen.

The Pledge of Allegiance was led by Representative Munoz.

CERTIFICATION OF THE JOURNAL

Representative Millett moved and asked unanimous consent that the journal for the 22nd legislative day of the Second Special Session, the First Supplement of the First Session, First, and Second Special Sessions, House Journal Supplement No. 2, and House and Senate Joint Journal Supplement No. 9 be approved as certified by the Chief Clerk. There being no objection, it was so ordered.

MESSAGES FROM THE GOVERNOR

The following Governor's proclamation dated September 24, 2015, was read:

"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 call the Twenty-Ninth Legislature of the State of Alaska into its third special session at Juneau, Alaska, in the legislative chambers, on October 24, 2015, at 10:00 a.m. to consider the following subjects:

1. An act to monetize certain natural gas reserves through the levy of a gas reserves tax;
2. An act making supplemental, capital, and operating appropriations to the Department of Natural Resources, the Department of Law, the Department of Revenue, the Department of Commerce, Community, and Economic Development, and the Alaska Gasline Development Corporation, to fund the state's activities related to the development of the state's natural gas through participation, planning, and development activities of the Alaska liquefied natural gas project, including appropriations to exercise the state's option to acquire TransCanada's interest in the Alaska Liquefied Natural Gas Project, and making appropriations under Article IX, Section 17(c), Constitution of the State of Alaska, from the constitutional budget reserve fund.

Dated this 24th day of September, 2015.

/s/
Bill Walker
Governor"

The following Governor's supplemental proclamation dated October 23, 2015, was read:

"Under the authority of Article II, Section 9, and Article III, Section 17, of the Alaska Constitution, and in the public interest, I am amending my September 24, 2015 proclamation calling the Twenty-Ninth Legislature of the State of Alaska into its third special session in Juneau, Alaska, on October 24, 2015, as follows:

I am withdrawing the following subject from the call:

1. An act to monetize certain natural gas reserves through the levy of a gas reserves tax;

This proclamation supplements my proclamation of September 24, 2015.

Dated at Juneau, Alaska, this 23rd day of October, 2015, at 4:00 p.m.

/s/
Bill Walker
Governor"

HCR 2

A message dated September 1, 2015, was received stating the Governor read the following resolution and is transmitting the engrossed and enrolled copies to the Lieutenant Governor's office for permanent filing:

CS FOR HOUSE CONCURRENT RESOLUTION NO. 2(EDC)
Designating January 24 - 30, 2016, as Alaska School Choice Week.

Legislative Resolve No. 5

HCR 13

A message dated September 1, 2015, was received stating the Governor read the following resolution and is transmitting the engrossed and enrolled copies to the Lieutenant Governor's office for permanent filing:

HOUSE CONCURRENT RESOLUTION NO. 13

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning Senate Joint Resolution No. 16, expressing support for the Arctic Economic Council and the United States Arctic Economic Council delegation; requesting that the United States Congress express support for the Arctic Economic Council, for the chair of the Arctic Economic Council to be a resident of this state, and for the structure of the Arctic Economic Council leadership to mirror the rotation of the chair of the Arctic Council; and urging the United States Congress to empower residents of the state as partners in the Arctic Economic Council.

Legislative Resolve No. 24

HCR 101

A message dated September 1, 2015, was received stating the Governor read the following resolution and is transmitting the engrossed and enrolled copies to the Lieutenant Governor's office for permanent filing:

HOUSE CONCURRENT RESOLUTION NO. 101

Authorizing a recess by the House of Representatives or Senate for a period of more than three days.

Legislative Resolve No. 27

HCR 201

A message dated September 1, 2015, was received stating the Governor read the following resolution and is transmitting the engrossed and enrolled copies to the Lieutenant Governor's office for permanent filing:

HOUSE CONCURRENT RESOLUTION NO. 201

Suspending Rule 47, Uniform Rules of the Alaska State Legislature, relating to the carry-over of bills from the First Regular Session to the Second Special Session, concerning House Bill No. 176.

Legislative Resolve No. 28

HJR 4

A message dated September 1, 2015, was received stating the Governor read the following resolution and is transmitting the engrossed and enrolled copies to the Lieutenant Governor's office for permanent filing:

SENATE CS FOR HOUSE JOINT RESOLUTION NO. 4(RES)

Urging the United States Congress to provide a means for consistently and equitably sharing with all oil and gas producing states adjacent to federal outer continental shelf areas a portion of revenue generated from oil and gas development on the outer continental shelf to ensure that those states develop necessary infrastructure to support outer continental shelf development and preserve environmental integrity; urging the United States Congress to reject any proposal to divert or otherwise reduce revenue sharing to the coastal states and their political subdivisions under the Gulf of Mexico Energy Security Act of 2006; and urging the President of the United States to direct, to the maximum extent possible, federal funds received from outer continental shelf development, and not dedicated to states or other federal programs, to federal infrastructure in the affected states.

Legislative Resolve No. 8

HJR 5

A message dated September 1, 2015, was received stating the Governor read the following resolution and is transmitting the engrossed and enrolled copies to the Lieutenant Governor's office for permanent filing:

CS FOR HOUSE JOINT RESOLUTION NO. 5(TRA) am
Recognizing the Academy of Model Aeronautics for establishing
safety guidelines and best practices.

Legislative Resolve No. 13

HJR 6

A message dated September 1, 2015, was received stating the Governor read the following resolution and is transmitting the engrossed and enrolled copies to the Lieutenant Governor's office for permanent filing:

SENATE CS FOR HOUSE JOINT RESOLUTION NO. 6(RES)
Supporting the introduction and enactment of federal legislation acknowledging that the federal government is financially responsible under the Alaska Native Claims Settlement Act for the remediation of contaminated land subject to conveyance under the Act; urging the United States Department of the Interior to implement the six recommendations to identify and clean up the Alaska Native Claims Settlement Act lands in its 1998 report to the United States Congress; and urging the President of the United States and the United States Congress to remediate and make free from pollutants lands in the state conveyed under the Alaska Native Claims Settlement Act.

Legislative Resolve No. 9

HJR 7

A message dated September 1, 2015, was received stating the Governor read the following resolution and is transmitting the engrossed and enrolled copies to the Lieutenant Governor's office for permanent filing:

CS FOR HOUSE JOINT RESOLUTION NO. 7(FSH)
Opposing the proposed designation of an Aleutian Islands
National Marine Sanctuary.

Legislative Resolve No. 6

HJR 9

A message dated September 1, 2015, was received stating the Governor read the following resolution and is transmitting the engrossed and enrolled copies to the Lieutenant Governor's office for permanent filing:

SENATE CS FOR HOUSE JOINT RESOLUTION NO. 9(RES)

Urging the United States Congress to pass legislation to open the coastal plain of the Arctic National Wildlife Refuge to oil and gas development; urging the United States Department of the Interior to recognize the private property rights of owners of land in and adjacent to the Arctic National Wildlife Refuge; relating to oil and gas exploration, development, production, and royalties; and relating to renewable and alternative energy technologies.

Legislative Resolve No. 2

HJR 10

A message dated September 1, 2015, was received stating the Governor read the following resolution and is transmitting the engrossed and enrolled copies to the Lieutenant Governor's office for permanent filing:

SENATE CS FOR CS FOR HOUSE JOINT RESOLUTION NO. 10(RES)

Opposing the revised Comprehensive Conservation Plan and Environmental Impact Statement for the Arctic National Wildlife Refuge; opposing attempts by President Obama to alter management of the coastal plain of the Arctic National Wildlife Refuge; encouraging the United States Congress to reject a proposal based on the revised Comprehensive Conservation Plan or accompanying Environmental Impact Statement; and encouraging the United States Congress to reject a proposal that does not open the coastal plain of the Arctic National Wildlife Refuge to oil and gas development.

Legislative Resolve No. 1

HJR 13

A message dated September 1, 2015, was received stating the Governor read the following resolution and is transmitting the engrossed and enrolled copies to the Lieutenant Governor's office for permanent filing:

SENATE CS FOR CS FOR HOUSE JOINT RESOLUTION NO.
13(STA)

Urging the United States Department of the Army to maintain and strengthen the current level of its combat-capable structure in the state and not to reduce personnel at Fort Wainwright and Joint Base Elmendorf-Richardson.

Legislative Resolve No. 4

HJR 18

A message dated September 1, 2015, was received stating the Governor read the following resolution and is transmitting the engrossed and enrolled copies to the Lieutenant Governor's office for permanent filing:

SENATE CS FOR CS FOR HOUSE JOINT RESOLUTION NO.
18(RES)

Urging the United States Congress to pass the Improved National Monument Designation Process Act.

Legislative Resolve No. 19

HJR 24

A message dated September 1, 2015, was received stating the Governor read the following resolution and is transmitting the engrossed and enrolled copies to the Lieutenant Governor's office for permanent filing:

HOUSE JOINT RESOLUTION NO. 24

Urging the federal government to honor its commitments to transfer land to the state; and urging the United States Secretary of the Interior and the United States Congress to adhere to the

recommendations of the United States Department of the Interior in its 2006 report under the Alaska Land Transfer Acceleration Act, including lifting withdrawals.

Legislative Resolve No. 20

SCR 5

A message dated September 1, 2015, was received stating the Governor read the following resolution and is transmitting the engrossed and enrolled copies to the Lieutenant Governor's office for permanent filing:

SENATE CONCURRENT RESOLUTION NO. 5

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning House Joint Resolution No. 13, urging the United States Department of the Army to maintain and strengthen the current level of its combat-capable structure in the state and not to take structural realignment actions with regard to Fort Wainwright and Joint Base Elmendorf-Richardson.

Legislative Resolve No. 3

SCR 6

A message dated September 1, 2015, was received stating the Governor read the following resolution and is transmitting the engrossed and enrolled copies to the Lieutenant Governor's office for permanent filing:

SENATE CONCURRENT RESOLUTION NO. 6

Proclaiming April 2015 as Sexual Assault Awareness Month.

Legislative Resolve No. 10

SCR 8

A message dated September 1, 2015, was received stating the Governor read the following resolution and is transmitting the engrossed and enrolled copies to the Lieutenant Governor's office for permanent filing:

SENATE CONCURRENT RESOLUTION NO. 8

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning House Joint Resolution No. 4, urging the United States Congress to provide a means for consistently and equitably sharing with all oil and gas producing states adjacent to federal outer continental shelf areas a portion of revenue generated from oil and gas development on the outer continental shelf to ensure that those states develop necessary infrastructure to support outer continental shelf development and preserve environmental integrity.

Legislative Resolve No. 7

SCR 11

A message dated September 1, 2015, was received stating the Governor read the following resolution and is transmitting the engrossed and enrolled copies to the Lieutenant Governor's office for permanent filing:

SENATE CONCURRENT RESOLUTION NO. 11

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning House Bill No. 5, relating to the persons who may be appointed conservators of a protected person.

Legislative Resolve No. 14

SCR 12

A message dated September 1, 2015, was received stating the Governor read the following resolution and is transmitting the engrossed and enrolled copies to the Lieutenant Governor's office for permanent filing:

SENATE CONCURRENT RESOLUTION NO. 12

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning House Bill No. 146, relating to a municipal tax exemption for certain subdivided property.

Legislative Resolve No. 16

SCR 15

A message dated September 1, 2015, was received stating the Governor read the following resolution and is transmitting the engrossed and enrolled copies to the Lieutenant Governor's office for permanent filing:

SENATE CONCURRENT RESOLUTION NO. 15

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning House Bill No. 26, extending the termination date of the Board of Certified Direct-Entry Midwives.

Legislative Resolve No. 22

SCR 17

A message dated September 1, 2015, was received stating the Governor read the following resolution and is transmitting the engrossed and enrolled copies to the Lieutenant Governor's office for permanent filing:

SENATE CONCURRENT RESOLUTION NO. 17

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning House Bill No. 15, relating to credits toward a sentence of imprisonment for certain persons under electronic monitoring.

Legislative Resolve No. 23

SCR 18

A message dated September 1, 2015, was received stating the Governor read the following resolution and is transmitting the engrossed and enrolled copies to the Lieutenant Governor's office for permanent filing:

SENATE CONCURRENT RESOLUTION NO. 18

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning House Bill No. 105, relating to the programs and bonds of the Alaska Industrial Development and Export Authority; relating to the Alaska Industrial Development and Export Authority sustainable energy

transmission and supply development fund; requiring the Alaska Industrial Development and Export Authority to deliver to the legislature reports relating to the Interior energy project; relating to the financing authorization through the Alaska Industrial Development and Export Authority of a liquefied natural gas production plant and natural gas energy projects and distribution systems in the state; amending and repealing bond authorizations granted to the Alaska Industrial Development and Export Authority; authorizing the Alaska Industrial Development and Export Authority to issue bonds to finance the infrastructure and construction costs of the Sweetheart Lake hydroelectric project; authorizing the Alaska Industrial Development and Export Authority to issue bonds to finance the infrastructure and construction costs of rebuilding transmission between the Hope substation and Portage, rebuilding transmission between Powerline Pass to Indian, and the Eklutna hydroelectric transmission system upgrade project; and relating to legislative approval for loans from the power project fund to the City of King Cove.

Legislative Resolve No. 25

SCR 201

A message dated September 1, 2015, was received stating the Governor read the following resolution and is transmitting the engrossed and enrolled copies to the Lieutenant Governor's office for permanent filing:

SENATE CONCURRENT RESOLUTION NO. 201

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning House Bill No. 44, relating to sexual abuse and sexual assault awareness and prevention efforts in public schools; and relating to dating violence and abuse awareness and prevention efforts in public schools.

Legislative Resolve No. 29

SJR 13

A message dated September 1, 2015, was received stating the Governor read the following resolution and is transmitting the

engrossed and enrolled copies to the Lieutenant Governor's office for permanent filing:

CS FOR SENATE JOINT RESOLUTION NO. 13(RES)

Supporting oil and gas exploration and development on the outer continental shelf offshore of the state; opposing attempts to prohibit future oil and gas development in the Beaufort and the Chukchi Seas, including the Hanna Shoal area; and requesting that the federal Administration cease and desist from restrictions that adversely affect active or future leases in high petroleum potential areas in the Beaufort and Chukchi Seas, including the Hanna Shoal area.

Legislative Resolve No. 26

SJR 16

A message dated September 1, 2015, was received stating the Governor read the following resolution and is transmitting the engrossed and enrolled copies to the Lieutenant Governor's office for permanent filing:

HOUSE CS FOR CS FOR SENATE JOINT RESOLUTION NO. 16(RLS)

Expressing support for the Arctic Economic Council and the United States Arctic Economic Council delegation; requesting that the United States Congress express support for the Arctic Economic Council, for the chair of the Arctic Economic Council to be a resident of this state, and for the structure of the Arctic Economic Council leadership to mirror the rotation of the chair of the Arctic Council; and encouraging the United States Congress to cooperate with the state on matters related to and under consideration by the Arctic Economic Council.

Legislative Resolve No. 21

SJR 18

A message dated September 1, 2015, was received stating the Governor read the following resolution and is transmitting the engrossed and enrolled copies to the Lieutenant Governor's office for permanent filing:

CS FOR SENATE JOINT RESOLUTION NO. 18(RES)

Supporting the leases issued by the United States Department of the Interior to Royal Dutch Shell in the Chukchi and Beaufort Seas; urging the Governor of the State of Washington, the Seattle City Council, and other public officials in the State of Washington to refrain from destructive attacks on the economy, jobs, and lives of the people of this state and the State of Washington and to look first at closing the Boeing production facilities to reduce emissions of carbon dioxide from commercial activity; inviting Royal Dutch Shell to use a port in this state as the homeport of its Arctic drilling fleet if the lease with the Port of Seattle is terminated; and requesting that the Alaska Congressional delegation support restricting the Export-Import Bank of the United States to lending only to small businesses.

Legislative Resolve No. 17

A Declaration of Disaster Emergency and accompanying letter dated October 14, 2015, regarding an Arctic coastal sea storm in Barrow were received. They were copied to the Finance Committee Co-chairs and are on file in the Chief Clerk's office.

COMMUNICATIONS

The following was received:

Alaska Commission on Judicial Conduct
2014 Annual Report

The following audit reports were received from the Division of Legislative Audit, Legislative Budget & Audit Committee, as required by AS 24.20.311:

Dept. of Administration
Alaska Agricultural and Fisheries Products Preference - Use by State Entities
July 10, 2015

Dept. of Commerce, Community, & Economic Development
Real Estate Commission
July 24, 2015

Dept. of Corrections
Board of Parole
April 30, 2015

Dept. of Fish & Game
Commercial Fisheries Entry Commission
July 7, 2015

Dept. of Natural Resources
Citizens' Advisory Commission on Federal Areas
May 15, 2015

HB 105

Pursuant to HB 105-AIDEA: BONDS;PROGRAMS;LOANS;LNG
PROJECT (Chapter No. 39, SLA 15) the following was received:

Alaska Industrial Development & Export Authority
Interior Energy Project
Quarterly Report to the Alaska State Legislature
October 1, 2015
InteriorEnergyProject.com

**INTRODUCTION, FIRST READING, AND REFERENCE
OF HOUSE BILLS****HB 3001**

HOUSE BILL NO. 3001 by the House Rules Committee by request of
the Governor, entitled:

"An Act making supplemental appropriations; making
appropriations to capitalize funds; making appropriations to the
general fund from the budget reserve fund (art. IX, sec. 17,
Constitution of the State of Alaska) in accordance with sec. 12(c),
ch. 1, SSSLA 2015; and providing for an effective date."

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

The Governor's transmittal letter dated October 23, 2015, follows:

"Dear Speaker Chenault:

Under the authority of Article II, Section 9, and Article III, Section 18, of the Alaska Constitution, I am transmitting a bill for supplemental appropriations for the fiscal year 2016. The bill will move us toward monetization of our vast natural gas resources by engaging the State fully in the process as an equal participant in our future development.

First, the bill requests an appropriation to the Alaska liquefied natural gas (AKLNG) project fund in order to acquire the interests of TransCanada. While TransCanada has been a valuable ally, it is time for the State to step in and participate as a full partner in the development of a gas pipeline and liquefaction facilities.

In the last several days, the producers have reviewed an overall Preliminary Front-End Engineering and Design (Pre-FEED) phase increase from \$511,000,000 to \$693,000,000 that will impact costs in calendar year 2016. The State's 25 percent share of this Pre-FEED increase is included in the supplemental request.

Additionally, the bill requests necessary appropriations to the Departments of Natural Resources, Law, and Revenue related to the State's continued and vital participation in the AKLNG project. Further appropriations recognize the need for Alaska Gasline Development Corporation to have statutory program receipt authority to be reimbursed from producers for specific work on the AKLNG project.

Finally, the Legislature recognized earlier this year when it passed HB 2001 that there may be a need for supplemental appropriations for fiscal year 2016, and authorized the withdrawal from the budget reserve fund for fiscal year 2016 to include an amount, not to exceed \$500,000,000, for future fiscal year 2016 appropriations. Accordingly, this bill provides that if there are insufficient general funds available for appropriation, Section 12(c), Chapter No. 1, SSSLA 2015, will

apply to the supplemental appropriations provided for in this bill. Thank you for your consideration of this bill.

Sincerely,

/s/

Bill Walker

Governor"

UNFINISHED BUSINESS

Representative Millett 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 Pruitt – from noon, October 24 to 1:40 a.m., October 28

Representative Hawker – from noon, October 24 to 11:00 a.m., October 26

Representative Claman – from noon, October 24 to 1:00 p.m., October 28

Representative Gruenberg – from noon, October 24 to 10:00 a.m., October 27

ANNOUNCEMENTS

House committee schedules are published under separate cover.

ADJOURNMENT

Representative Millett moved and asked unanimous consent that the House adjourn until 10:30 a.m., October 26, 2015. There being no objection, the House adjourned at 11:16 a.m.

Suzi Lowell
Chief Clerk