

HOUSE JOURNAL
ALASKA STATE LEGISLATURE
TWENTY-NINTH LEGISLATURE
SECOND SESSION

Juneau, Alaska

Wednesday

May 18, 2016

One Hundred Twenty-first Day

The House was called to order by Speaker Chenault at 3:02 p.m. in the Terry Miller Legislative Office Building gymnasium.

Roll call showed 38 members present. Representatives Claman and Hawker had been excused from a call of the House today.

The invocation was offered by the Chaplain, Representative Ortiz. 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,

We, in this Alaska State House of Representatives, are calling upon you today for your divine guidance and help. We are entering our last day of session and need your supporting hand to keep us on the right and just path. Our task before us today is steep, but we will strive to keep to our goal of serving in the best interests of all Alaskans, seeking your infinite wisdom with faith that you will show us the right way to a just and right resolution. Thank you for hearing our prayer and staying by our side. Amen.

The Pledge of Allegiance was led by Representative Seaton.

CERTIFICATION OF THE JOURNAL

Representative Millett moved and asked unanimous consent that the journal for the 120th legislative day be approved as certified by the Chief Clerk. There being no objection, it was so ordered.

MESSAGES FROM THE SENATE**HB 247**

A message dated May 18, 2016, was read stating the Senate passed:

2d CS FOR HOUSE BILL NO. 247(RLS) am

"An Act amending the powers of the board of trustees of the Alaska Retirement Management Board to authorize purchase and sale of transferable tax credit certificates issued in conjunction with the production tax on oil and gas; relating to interest applicable to delinquent tax; relating to the oil and gas production tax, tax payments, and credits; relating to exploration incentive credits; relating to refunds for the gas storage facility tax credit, the liquefied natural gas storage facility tax credit, and the qualified in-state oil refinery infrastructure expenditures tax credit; relating to the confidential information status and public record status of information in the possession of the Department of Revenue; relating to oil and gas lease expenditures and production tax credits for municipal entities; requiring a bond or cash deposit with a business license application for an oil or gas business; establishing a legislative working group to study the fiscal regime and tax structure and rates for oil and gas produced south of 68 degrees North latitude; and providing for an effective date."

with the following amendment, and it is transmitted for consideration:

SENATE CS FOR 2d CS FOR HOUSE BILL NO. 247(FIN) am S

"An Act relating to the exploration incentive credits; relating to the powers and duties of the Alaska Oil and Gas Conservation Commission; relating to interest applicable to delinquent tax; relating to the oil and gas production tax, tax payments, and credits; relating to tax credit certificates; relating to refunds for the gas storage facility tax credit, the liquefied natural gas storage facility tax credit, and the qualified in-state oil refinery

infrastructure expenditures tax credit; relating to oil and gas lease expenditures and production tax credits for municipal entities; requiring a bond or cash deposit with a business license application for an oil or gas business; and providing for an effective date."

(SCR 32 - title change resolution)

HB 247 is under Unfinished Business.

A message dated May 18, 2016, was read stating the Senate passed the following, and it is transmitted for consideration:

**FIRST READING AND REFERENCE
OF SENATE RESOLUTIONS**

SCR 32

SENATE CONCURRENT RESOLUTION NO. 32 by the Senate Finance Committee:

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning House Bill No. 247, amending the powers of the board of trustees of the Alaska Retirement Management Board to authorize purchase and sale of transferable tax credit certificates issued in conjunction with the production tax on oil and gas; relating to interest applicable to delinquent tax; relating to the oil and gas production tax, tax payments, and credits; relating to exploration incentive credits; relating to refunds for the gas storage facility tax credit, the liquefied natural gas storage facility tax credit, and the qualified in-state oil refinery infrastructure expenditures tax credit; relating to the confidential information status and public record status of information in the possession of the Department of Revenue; relating to oil and gas lease expenditures and production tax credits for municipal entities; requiring a bond or cash deposit with a business license application for an oil or gas business; and establishing a legislative working group to study the fiscal regime and tax structure and rates for oil and gas produced south of 68 degrees North latitude.

was read the first time.

REPORTS OF SPECIAL COMMITTEES**HB 75**

The Conference Committee considering:

CS FOR HOUSE BILL NO. 75(JUD) am

"An Act relating to the registration of marijuana establishments by municipalities; relating to the definition of 'marijuana'; clarifying standards for personal use of marijuana by persons 21 years of age or older; prohibiting the public consumption of marijuana; authorizing the registration of marijuana clubs; relating to established villages and to local option elections regarding the operation of marijuana establishments; and providing for an effective date."

and

2d SENATE CS FOR CS FOR HOUSE BILL NO. 75(RLS)

"An Act relating to background checks for persons applying to operate marijuana establishments; relating to possessing, using, displaying, purchasing, growing, processing, transporting, and transferring marijuana; relating to assisting another person 21 years of age or older in activities related to marijuana; relating to established villages and to local option elections regarding the operation of marijuana establishments; and providing for an effective date."

(SCR 14 – title change resolution)

requests limited powers of free conference on the following specific point(s):

Sections 9 and 19 (House)

Sections 4 and 6 (Senate)

which relate to local option by an established village.

The request was signed by Representatives Tilton, (Chair) Millett, Drummond; and Senators Bishop (Chair), McGuire, Hoffman.

The Speaker granted the limited powers of free conference as requested.

The Chief Clerk notified the Senate.

The Senate granted limited powers of free conference on May 18, 2016.

The Conference Committee considering CSHB 75(JUD) am and 2d SCS CSHB 75(RLS) recommends the following be adopted:

CONFERENCE CS FOR HOUSE BILL NO. 75

"An Act relating to possessing, using, displaying, purchasing, growing, processing, transporting, and transferring marijuana; relating to assisting another person 21 years of age or older in activities related to marijuana; relating to established villages and to local option elections regarding the operation of marijuana establishments; and providing for an effective date."

(SCR 14 – title change resolution)

The report was signed by Representatives Tilton (Chair), Millett, Drummond; and Senators Bishop (Chair), McGuire, Hoffman.

The following fiscal note(s) apply to CCS HB 75:

4. Zero, Alaska Judiciary System
5. Zero, Dept. of Commerce, Community, & Economic Development
6. Zero, Dept. of Public Safety

Representative Millett moved that the House adopt the Conference Committee with limited powers of free conference report, thus adopting CCS HB 75, and recommended that the members vote yes.

The question being: "Shall the House adopt the report?" The roll was taken with the following result:

CCS HB 75

Adopt

YEAS: 37 NAYS: 1 EXCUSED: 2 ABSENT: 0

Yeas: Gara, Gattis, Guttenberg, Herron, Hughes, Johnson, Josephson, Kawasaki, Keller, Kito, Kreiss-Tomkins, LeDoux, Lynn, Millett, Munoz, Nageak, Neuman, Olson, Ortiz, Pruitt, Reinbold, Saddler, Seaton, Spohnholz, Stutes, Talerico, Tarr, Thompson, Tilton, Tuck, Vazquez, Wool, Colver, Drummond, Edgmon, Foster, Chenault

Nays: Wilson

Excused: Hawker, Claman

And so, the House adopted CCS HB 75.

Representative Millett moved and asked unanimous consent that the roll call on the passage of the bill be considered the roll call on the effective date clause. There being no objection, it was so ordered.

The Chief Clerk notified the Senate.

CCS HB 75 was referred to the Chief Clerk for engrossment and enrollment.

SPECIAL ORDER OF BUSINESS

SCR 14

Representative Millett moved and asked unanimous consent that the following be taken up as a Special Order of Business:

SENATE CONCURRENT RESOLUTION NO. 14

Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning House Bill No. 75, relating to the registration of marijuana establishments by municipalities; relating to the definition of "marijuana"; clarifying standards for personal use of marijuana by persons 21 years of age or older; prohibiting the public consumption of marijuana; authorizing the registration of marijuana clubs; and relating to established villages and to local option elections regarding the operation of marijuana establishments.

There being no objection, it was so ordered.

The question being: "Shall SCR 14 pass the House?" The roll was taken with the following result:

SCR 14

Special Order of Business

YEAS: 38 NAYS: 0 EXCUSED: 2 ABSENT: 0

Yeas: Gattis, Guttenberg, Herron, Hughes, Johnson, Josephson, Kawasaki, Keller, Kito, Kreiss-Tomkins, LeDoux, Lynn, Millett, Munoz, Nageak, Neuman, Olson, Ortiz, Pruitt, Reinbold, Saddler, Seaton, Spohnholz, Stutes, Talerico, Tarr, Thompson, Tilton, Tuck, Vazquez, Wilson, Wool, Colver, Drummond, Edgmon, Foster, Gara, Chenault

Excused: Hawker, Claman

And so, SCR 14 passed the House, was signed by the Speaker and Chief Clerk, and returned to the Senate.

CONSIDERATION OF THE DAILY CALENDAR

In accordance with Rule 43(b) of the Uniform Rules, the Speaker announced that engrossment may be waived on the bills on today's calendar.

In accordance with Rule 30(c) of the Uniform Rules, the Speaker announced that reconsideration was not available today.

The Speaker stated that, without objection, the House would recess to a call of the Chair; and so, the House recessed at 3:19 p.m.

AFTER RECESS

The Speaker called the House back to order at 8:44 p.m.

UNFINISHED BUSINESS

Representative Millett placed a call of the House.

Representative Millett moved that the Second Session of the Twenty-ninth Legislature extend not more than 10 days.

Representative Tuck objected.

The call was satisfied.

The question being: "Shall the Second Session of the Twenty-ninth Legislature extend not more than 10 days?" The roll was taken with the following result:

Second Session Extend Ten Days

YEAS: 26 NAYS: 12 EXCUSED: 2 ABSENT: 0

Yeas: Herron, Hughes, Johnson, Keller, LeDoux, Lynn, Millett, Munoz, Nageak, Neuman, Olson, Pruitt, Reinbold, Saddler, Seaton, Stutes, Talerico, Thompson, Tilton, Vazquez, Wilson, Colver, Edgmon, Foster, Gattis, Chenault

Nays: Guttenberg, Josephson, Kawasaki, Kito, Kreiss-Tomkins, Ortiz, Spohnholz, Tarr, Tuck, Wool, Drummond, Gara

Excused: Hawker, Claman

And so, lacking the required 27 votes, the motion failed.

CONCUR IN SENATE AMENDMENTS

HB 247

Representative Millett moved and asked unanimous consent that the House consider the Senate message (page 2942) on the following:

2d CS FOR HOUSE BILL NO. 247(RLS) am

"An Act amending the powers of the board of trustees of the Alaska Retirement Management Board to authorize purchase and sale of transferable tax credit certificates issued in conjunction with the production tax on oil and gas; relating to interest applicable to delinquent tax; relating to the oil and gas production tax, tax payments, and credits; relating to exploration incentive credits; relating to refunds for the gas storage facility tax credit, the liquefied natural gas storage facility tax credit, and the qualified in-state oil refinery infrastructure expenditures tax credit; relating to the confidential information status and public record status of information in the possession of the Department of Revenue; relating to oil and gas lease expenditures and production tax credits for municipal entities; requiring a bond or cash deposit with a business license application for an oil or gas business;

establishing a legislative working group to study the fiscal regime and tax structure and rates for oil and gas produced south of 68 degrees North latitude; and providing for an effective date."

and

SENATE CS FOR 2d CS FOR HOUSE BILL NO. 247(FIN) am S
"An Act relating to the exploration incentive credits; relating to the powers and duties of the Alaska Oil and Gas Conservation Commission; relating to interest applicable to delinquent tax; relating to the oil and gas production tax, tax payments, and credits; relating to tax credit certificates; relating to refunds for the gas storage facility tax credit, the liquefied natural gas storage facility tax credit, and the qualified in-state oil refinery infrastructure expenditures tax credit; relating to oil and gas lease expenditures and production tax credits for municipal entities; requiring a bond or cash deposit with a business license application for an oil or gas business; and providing for an effective date."

(SCR 32 - title change resolution)

There being no objection, it was so ordered.

Representative Nageak moved and asked unanimous consent to abstain from voting because of a conflict of interest. Objection was heard, and he was required to vote.

Representative Millett moved that the House concur in the Senate amendment to 2d CSHB 247(RLS) am, thus adopting SCS 2d CSHB 247(FIN) am S, and recommended that the members vote yes.

The question being: "Shall the House concur in the Senate amendment to 2d CSHB 247(RLS) am?" The roll was taken with the following result:

SCS 2d CSHB 247(FIN) am S

Concur

YEAS: 14 NAYS: 24 EXCUSED: 2 ABSENT: 0

Yeas: Herron, Johnson, Keller, Lynn, Millett, Neuman, Olson, Pruitt, Reinbold, Saddler, Tilton, Vazquez, Gattis, Chenault

Nays: Hughes, Josephson, Kawasaki, Kito, Kreiss-Tomkins, LeDoux, Munoz, Nageak, Ortiz, Seaton, Spohnholz, Stutes, Talerico, Tarr, Thompson, Tuck, Wilson, Wool, Colver, Drummond, Edgmon, Foster, Gara, Guttenberg

Excused: Hawker, Claman

And so, the House failed to concur in the Senate amendment.

The Chief Clerk notified the Senate and respectfully requested it to recede.

In the event the Senate fails to recede from its amendment, the Speaker appointed the following members to a Conference Committee to meet with a like committee from the Senate to consider the above bills:

Representative Talerico, Chair
Representative Olson
Representative Tarr

Representative Millett lifted the call.

The House adjourned sine die.

CONSIDERATION OF THE DAILY CALENDAR

HOUSE BILLS IN THIRD READING

HB 379

The following, which was held in third reading from the May 17, 2016, calendar (page 2935), was not considered:

CS FOR HOUSE BILL NO. 379(FIN)

"An Act reducing or eliminating pay step increases and pay increments for certain state employees; relating to collective bargaining agreements entered into by the state; and providing for an effective date."

SENATE BILLS IN THIRD READING**SB 138**

The following, which was held in third reading from the May 17, 2016, calendar (page 2935), was not considered:

HOUSE CS FOR CS FOR SENATE BILL NO. 138(FIN)

"An Act making and amending appropriations, including capital appropriations, supplemental appropriations, reappropriations, and other appropriations; making appropriations to capitalize funds; 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."

ADJOURNMENT

Representative Olson moved and asked unanimous consent that the House adjourn sine die (page 2950). There being no objection, the House of Representatives of the Twenty-Ninth Legislature of the State of Alaska adjourned sine die at 11:55 p.m.

Crystaline Jones
Chief Clerk