

SENATE JOURNAL
ALASKA STATE LEGISLATURE
THIRTIETH LEGISLATURE
SECOND SESSION

Juneau, Alaska **Wednesday** **January 31, 2018**
Sixteenth Day

Pursuant to adjournment the Senate was called to order by President Kelly at 11:06 a.m.

The roll showed sixteen members present. Senator von Imhof was excused from a call of the Senate. Senators Coghill, Giessel were absent. The seat from District E was vacant.

Senator Micciche moved and asked unanimous consent Senators Coghill, Giessel be excused from a call of the Senate today. Without objection, Senators Coghill, Giessel were excused.

The prayer was offered by the Chaplain, Pastor Tari Stage-Harvey, Shepherd of the Valley Lutheran Church. Senator Hoffman moved and asked unanimous consent that the prayer be spread. Without objection, it was so ordered.

May the eclipse of the moon remind us of the many obstacles that keep the light of grace and love from shining in this world.

I confess the times being right has been more important than being in right relationship;
I confess my pride that has kept me from learning, changing, reaching out.
I confess my hardness of heart that tries to protect me from the suffering of this world.
And I confess my bondage to fear . . . fear of death, of scarcity, of failure.

May we all be set free in the fullness of grace to live
reconciled to each other,
humble about our faults,
to live with contrite hearts open to change,
and courage to face the challenges before us.

O God of abundance, open your hand and fill all the
empty spaces of our souls, open your hand and
remove the obstacles that block your light. Amen.

Senator Wielechowski led the Senate in the Pledge of Allegiance.

Certification

Senator Micciche moved and asked unanimous consent that the journals for the fourteenth and fifteenth legislative days be approved as certified by the Secretary. Without objection, it was so ordered.

Communications

The following reports are on file in the Office of the Secretary of the Senate:

Department of Environmental Conservation
Alaska Drinking Water Fund and Clean Water Loan Fund
Annual Loan Fund Report - 2017
in accordance with AS 37.05.035

Department of Education and Early Development
State Board of Education and Early Development
Report to the Alaska Legislature
January 2018
in accordance with AS 14.07.168

Department of Natural Resources
Division of Oil and Gas
2017 Leasing Activity Report with 5 Year Proposed Leasing Activities
in accordance with AS 38.05.180

Department of Health and Social Services
Annual Report
FY 2017
in accordance with AS 18.05.020

Department of Commerce, Community and Economic Development
National Petroleum Reserve-Alaska Impact Mitigation Grant Program
Report to the Second Session of the Thirtieth Alaska Legislature
January 2018
in accordance with AS 37.05.530

Alaska Energy Authority:

Bradley Lake Hydroelectric Project
Alaska Intertie Project
Annual Capital Project Status Reports
January 31, 2018
in accordance with AS 44.83.950

Renewable Energy Fund
Status Report
January 2018
in accordance with AS 42.45.045

Standing Committee Reports

SB 8

The State Affairs Committee considered SENATE BILL NO. 8 "An Act allowing federally recognized tribal governments to receive contributions from permanent fund dividends" and recommended it be replaced with

CS FOR SENATE BILL NO. 8(STA)

Signing do pass: Senator Meyer, Chair; Senators Wilson, Egan.
Signing no recommendation: Senator Giessel.

The following fiscal information was published today:
Fiscal Note No. 1, Department of Revenue

The bill was referred to the Finance Committee.

SB 125

The Community and Regional Affairs Committee considered SENATE BILL NO. 125 "An Act relating to the financing and issuance of bonds for a liquefied natural gas production system and natural gas distribution system; and providing for an effective date" and recommended it be replaced with

CS FOR SENATE BILL NO. 125(CRA) "An Act extending the expiration date of the authorization to finance and issue bonds through the Alaska Industrial Development and Export Authority for a liquefied natural gas production system and natural gas distribution system for an Interior energy project; and providing for an effective date."

Signing do pass: Senator Bishop, Chair; Senators Gardner, Stedman, Hoffman. Signing no recommendation: Senator MacKinnon.

The following fiscal information was published today:
Fiscal Note No. 1, zero, Department of Commerce, Community and Economic Development

The bill was referred to the Finance Committee.

SB 126

The Labor and Commerce Committee considered SENATE BILL NO. 126 "An Act providing for an exception to the regulation of the practice of medicine for a physician who provides medical services to an athletic team from another state." Signing do pass: Senator Costello, Chair; Senators Micciche, Meyer, Gardner.

The following fiscal information was published today:
Fiscal Note No. 1, Department of Commerce, Community and Economic Development

President Kelly added a Finance Committee referral to the bill.

The bill was referred to the Finance Committee.

SB 154

The State Affairs Committee considered SENATE BILL NO. 154 "An Act relating to contributions from permanent fund dividends to the general fund." Signing do pass: Senator Meyer, Chair; Senators Wilson, Egan. Signing no recommendation: Senator Giessel.

The following fiscal information was published today:

Fiscal Note No. 1, zero, Department of Administration
Fiscal Note No. 2, Department of Revenue

The bill was referred to the Finance Committee.

HB 43

The Health and Social Services Committee considered CS FOR HOUSE BILL NO. 43(JUD) "An Act relating to prescribing, dispensing, and administering an investigational drug, biological product, or device by physicians for patients who are terminally ill for the purpose of sustaining the patient's life; providing immunity related to manufacturing, distributing, or providing investigational drugs, biological products, or devices; and relating to licensed health care facility requirements." Signing do pass: Senator von Imhof, Vice Chair; Senators Begich, Giessel. Signing no recommendation: Senator Micciche.

The following fiscal information was published today:

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

The bill was referred to the Judiciary Committee.

HB 102

The Labor and Commerce Committee considered CS FOR HOUSE BILL NO. 102(EDC) "An Act relating to instruction in a language other than English; and relating to limited teacher certificates." Signing do pass: Senator Costello, Chair; Senator Gardner. Signing no recommendation: Senators Micciche, Meyer.

The following fiscal information was published today:
Fiscal Note No. 2, zero, Department of Education and
Early Development

The bill was referred to the Education Committee.

HB 114

The Labor and Commerce Committee considered HOUSE BILL NO. 114 "An Act relating to boiler and unfired pressure vessel inspection reports and fees." Signing do pass: Senator Costello, Chair; Senators Micciche, Meyer, Gardner.

The following fiscal information was published today:
Fiscal Note No. 2, Department of Labor and
Workforce Development

The bill was referred to the Finance Committee.

HB 121

The Labor and Commerce Committee considered HOUSE BILL NO. 121 "An Act relating to occupational safety and health enforcement penalties; and providing for an effective date." Signing no recommendation: Senator Costello, Chair; Senators Micciche, Meyer. Signing do pass: Senator Gardner.

The following fiscal information was published today:
Fiscal Note No. 2, Department of Labor and
Workforce Development

The bill was referred to the Finance Committee.

HB 124

The Labor and Commerce Committee considered CS FOR HOUSE BILL NO. 124(FIN) "An Act relating to corporations, including benefit corporations, and other entities; and providing for an effective date." Signing do pass: Senator Costello, Chair; Senator Gardner. Signing no recommendation: Senators Micciche, Meyer.

The following fiscal information was published today:

Fiscal Note No. 2, Department of Commerce, Community
and Economic Development

The bill was referred to the Finance Committee.

HB 208

The Labor and Commerce Committee considered HOUSE BILL NO. 208 "An Act relating to trusts and powers of appointment; and providing for an effective date." Signing do pass: Senator Costello, Chair; Senator Meyer. Signing no recommendation: Senators Micciche, Gardner.

The following fiscal information was published today:

Fiscal Note No. 2, zero, Department of Law

The bill was referred to the Judiciary Committee.

SJR 4

The Resources Committee considered SENATE JOINT RESOLUTION NO. 4 Urging the Alaska Congressional delegation to introduce bills to provide for the exemption of legally acquired walrus, mammoth, and mastodon ivory from laws that ban the sale, use, and possession of ivory, and recommended it be replaced with

CS FOR SENATE JOINT RESOLUTION
NO. 4(RES) Urging the United States Congress to
pass legislation providing for the exemption of
legally acquired walrus, mammoth, and mastodon
ivory from laws that ban the sale, use, and possession
of ivory.

Signing do pass: Senator Giessel, Chair; Senators Wielechowski,
Coghill, von Imhof, Stedman, Meyer.

The following fiscal information was published today:

Fiscal Note No. 2, zero, Senate Resources Committee

The resolution was referred to the Rules Committee.

HJR 12

The Resources Committee considered CS FOR HOUSE JOINT RESOLUTION NO. 12(FSH) Opposing the United States Food and Drug Administration's approval of AquaBounty AquAdvantage genetically engineered salmon; and urging the United States Congress to enact legislation that requires prominently labeling genetically engineered salmon and salmon products with the words "Genetically Modified" on the product's packaging. Signing do pass: Senator Giessel, Chair; Senator Wielechowski. Signing no recommendation: Senators Coghill, von Imhof, Stedman, Meyer.

The following fiscal information was published today:

Fiscal Note No. 2, zero, Senate Resources Committee

The resolution was referred to the Rules Committee.

HCR 8

The Labor and Commerce Committee considered HOUSE CONCURRENT RESOLUTION NO. 8 am Expressing the strong support of the Alaska State Legislature for the Kodiak Seafood and Marine Science Center; and urging the University of Alaska to find a solution to keep the Kodiak Seafood and Marine Science Center operating as a stable resource in the state. Signing do pass: Senator Costello, Chair; Senator Gardner. Signing no recommendation: Senators Micciche, Meyer.

The following fiscal information was published today:

Fiscal Note No. 2, zero, Legislative Agency

The resolution was referred to the Rules Committee.

Introduction and Reference of Senate Bills**SB 167**

SENATE BILL NO. 167 BY SENATOR COGHILL, entitled:

"An Act exempting identifying information of a person who reports criminal activity from disclosure as public records."

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

SB 168

SENATE BILL NO. 168 BY THE SENATE RULES COMMITTEE
BY REQUEST OF THE GOVERNOR, entitled:

"An Act making supplemental appropriations and other appropriations; making an appropriation to capitalize a fund; amending appropriations; and providing for an effective date."

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

Governor's transmittal letter dated January 29:

Dear President Kelly:

Under the authority of Article III, Section 18 of the Alaska Constitution, I am transmitting a bill relating to supplemental appropriations for the State's operating and capital budgets for Fiscal Year 2018 (FY 2018).

A limited number of requests that were not anticipated when the FY 2019 Governor's budget was submitted on December 15, 2017 are being submitted for your consideration. Capitalization of the Disaster Relief Fund, shortfalls in the Office of Children's Services, payments required to meet federal maintenance of effort, and Permanent Fund Corporation investment management fees constitute the largest portion of the supplemental request. While the supplemental items included in the December 15, 2017 budget primarily represent items that were knowingly underfunded at enactment of the FY2018 budget, the items included in this bill represent unexpected shortfalls in their respective programs.

Two bargaining unit contracts for fiscal year 2018 have been negotiated and are included for legislative approval, however neither have a budgetary impact. A reduction to the State costs for the Alaska Reinsurance Program is included which reflects the transfer to the program made by Premera.

Thank you for your consideration of this bill.

Sincerely,
/s/
Bill Walker
Governor

SB 169

SENATE BILL NO. 169 BY SENATOR GIESSEL, entitled:

"An Act relating to the definition of 'supervision or direct supervision' for purposes of medical assistance coverage of behavioral health clinic services."

was read the first time and referred to the Health and Social Services Committee.

SB 170

SENATE BILL NO. 170 BY SENATORS KELLY, Wilson, Hughes, entitled:

"An Act extending the Alaska senior benefits payment program."

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

Unfinished Business**HB 76**

Senator Stevens moved and asked unanimous consent to be shown as a cross sponsor on CS FOR HOUSE BILL NO. 76(FSH) "An Act relating to the mariculture revolving loan fund and loans and grants from the fund; and providing for an effective date." Without objection, it was so ordered.

HB 128

Senator Stevens moved and asked unanimous consent to be shown as a cross sponsor on HOUSE BILL NO. 128 "An Act relating to management of enhanced stocks of shellfish; authorizing certain nonprofit organizations to engage in shellfish enhancement projects; relating to application fees for salmon hatchery permits; and providing for an effective date." Without objection, it was so ordered.

HB 56

Senator Stevens moved and asked unanimous consent to be shown as a cross sponsor on HOUSE BILL NO. 56 "An Act relating to limitations on certain commercial fishing loans made by the Department of Commerce, Community, and Economic Development." Without objection, it was so ordered.

SB 160

Senators Gardner, Wielechowski, Hughes, Costello, Wilson, Stevens moved and asked unanimous consent to be shown as cosponsors on SENATE BILL NO. 160 "An Act relating to the regulation of broadband Internet; and making certain actions by broadband Internet service providers unlawful acts or practices under the Alaska Unfair Trade Practices and Consumer Protection Act." Without objection, it was so ordered.

Senator Hoffman moved and asked unanimous consent to be excused from a call of the Senate from February 4 through plane time, February 5. Without objection, Senator Hoffman was excused.

SJR 12

Senators Costello, Hughes, Wilson moved and asked unanimous consent to be shown as cosponsors on SENATE JOINT RESOLUTION NO. 12 Urging the United States Congress to overturn the Federal Communication Commission's order ending net neutrality. Without objection, it was so ordered.

Announcements

Announcements are at the end of the journal.

Special Orders

The Senate honored Pamela Varni for her years of dedicated service as the Executive Director of the Legislative Affairs Agency. A bouquet was presented and Pam was given the privilege of the floor.

Adjournment

Senator Micciche moved and asked unanimous consent the Senate stand in adjournment until 10:30 a.m., February 2, 2018. Without objection, the Senate adjourned at 11:36 a.m.

Liz Clark
Secretary of the Senate

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 01 Thursday Beltz 105 (tsbldg) 3:30 PM
 -- MEETING CANCELED --
 + Bills Previously Heard/Scheduled

EDUCATION

Jan 31 Wednesday Butrovich 205 8:00 AM
 += SB 99 PRE-ELEMENTARY PROGRAMS/FUNDING
 -- Testimony <Invited and Public> --
 -- <Time Limit May Be Set> --
 + Bills Previously Heard/Scheduled
 Streamed live on AKL.tv

Feb 02 Friday Butrovich 205 8:00 AM
 + Bills Previously Heard/Scheduled
 -- Testimony <Invited and Public> --
 Streamed live on AKL.tv

FINANCE

Jan 31 Wednesday Senate Finance 532 9:00 AM
 + Presentation: Medicaid Cost Drivers and Reform Update
 Margaret Brodie, Director, Division of Health
 Care Services, Department of Health and Social Services
 Monique Martin, Health Care Policy Advisor
 Department of Health and Social Services
 + Bills Previously Heard/Scheduled

FINANCE (continued)

Feb 01 Thursday Senate Finance 532 9:00 AM
 + Presentation: Medicaid Cost Drivers and Reform Update
 Margaret Brodie, Director, Division of Health Care Services, Department of Health and Social Services
 Monique Martin, Health Care Policy Advisor
 Department of Health and Social Services
 + Bills Previously Heard/Scheduled

Feb 02 Friday Senate Finance 532 9:00 AM
 += SB 4 NON-CHEMICAL BARBERING;HAIR BRAIDING
 + Bills Previously Heard/Scheduled

HEALTH & SOCIAL SERVICES

Jan 31 Wednesday Butrovich 205 1:30 PM
 + Presentation:
 Governor's Council on Disabilities and Special Education
 -- Testimony <Invitation Only> --
 + SB 128 MARIJUANA EDU/TREATMENT FUND/PROGRAM
 -- Testimony <Invited and Public> --

Feb 02 Friday Butrovich 205 1:30 PM
 += SB 128 MARIJUANA EDU/TREATMENT FUND/PROGRAM
 + SB 81 DHSS CENT. REGISTRY;LICENSE;BCKGROUND CHK
 -- Testimony <Invited and Public> --
 + Bills Previously Heard/Scheduled

JUDICIARY

Jan 31 Wednesday Beltz 105 (tsbldg) 1:30 PM
 No Meeting Scheduled

Feb 02 Friday Beltz 105 (tsbldg) 1:30 PM
 No Meeting Scheduled

Feb 05 Monday Beltz 105 (tsbldg) 1:30 PM
 No Meeting Scheduled

JUDICIARY (continued)

Feb 07 Wednesday Beltz 105 (tsbldg) 1:30 PM
 No Meeting Scheduled

Feb 09 Friday Beltz 105 (tsbldg) 1:30 PM
 No Meeting Scheduled

LABOR & COMMERCE

Feb 01 Thursday Butrovich 205 1:00 PM
 -- Please Note Location & Time Change --
 + SB 112 WORKERS COMPENSATION;DRUG DATABASE & TEST
 -- Public Testimony --
 + Bills Previously Heard/Scheduled

RESOURCES

Jan 31 Wednesday Butrovich 205 3:30 PM
 -- Agenda Change --
 + Overview: Alaska's State Managed Game Refuges
 Sanctuaries & Critical Habitat Areas
 - Department of Fish & Game
 -- Testimony <Invitation Only> --
 <Above Item Rescheduled to 2/02/18>
 <New Item Added Below>
 Overview: Oil and Gas 102 to the Alaska Legislature:
 - Consultants to the Legislative Budget & Audit
 Committee In3ergy:
 Mr. Rich Ruggiero, Ms. Christina Ruggiero
 -- Testimony <Invitation Only> --

Feb 02 Friday Butrovich 205 3:30 PM
 + HB 130 GAME REFUGE/CRIT HABITAT AREA BOUNDARIES
 -- Public Testimony --
 + SB 158 OIL/HAZARDOUS SUB.:CLEANUP/REIMBURSEMENT
 -- Public Testimony --
 + Bills Previously Heard/Scheduled
 -- Agenda Change Below --
(Continued on Next Page)

RESOURCES (continued)**(Continued from Previous Page)**

+ Overview: Alaska's State Managed Game Refuges
Sanctuaries & Critical Habitat Areas
- Department of Fish & Game:
Mr. Bruce Dale, Director, Division of Wildlife Conservation
Mrs. Morgan Foss, Special Assistant to the Commissioner
-- Testimony <Invitation Only> --

RULES

Jan 31 **Wednesday** **Fahrenkamp 203** **11:30 AM**
-- Delayed to Immediately Following Session --
-- Uniform Rule 23 Waived --
-Scheduled Immediately Following Floor Session-
+ Consideration of Report

STATE AFFAIRS

Feb 01 **Thursday** **Butrovich 205** **3:30 PM**
+ SCR 10 ALASKA YEAR OF INNOVATION
+ SB 152 SEPT. 11: PATRIOT DAY
+ Bills Previously Heard/Scheduled

TRANSPORTATION

Feb 01 **Thursday** **Butrovich 205** **1:30 PM**
No Meeting Scheduled

JOINT COMMITTEES**LEGISLATIVE COUNCIL**

Feb 01 **Thursday** **Beltz 105 (tsbldg)** **5:00 PM**
Sexual & Other Workplace Harassment Subcommittee
+ Sexual & Other Workplace Harassment Policy

LEGISLATIVE COUNCIL (continued)

Feb 03	Saturday	House Finance 519	9:45 AM
+	Other Committee Business		
	- Record Policy		
+	Executive Session:		
	- Executive Director Applicant Interviews		
Feb 03	Saturday	House Finance 519	10:00 AM
	-- MEETING CANCELED --		
+	Executive Session:		
	- Executive Director Applicant Interviews		
Feb 05	Monday	House Finance 519	6:00 PM
+	Approval of Minutes:		
	a. March 2017 - August 2017		
+	Ratification of Charitable Events:		
	a. The Canvas at REACH Annual Fundraising Dinner		
	b. 2nd Annual Catholic Community Services Formal Gala		
	c. 26th Annual Girl Scouts Fundraiser		
	d. Lawmaker's Round Up		
	e. 33rd Annual Sham Jam		
+	Contract Approvals:		
	a. Bethel Lease Extension		
	b. Cordova Lease Extension		
	c. Eagle River Lease Extension		
	d. Glennallen Lease Extension		
	e. Homer Lease Extension		
	f. Interagency Lease Extension		
	g. Juneau Storage - Goldstein Lease Extension		
	h. Ketchikan Lease Extension		
	i. Kotzebue Lease Extension		
	j. North Pole Lease Extension		
	k. Ombudsman - Anchorage Lease Extension		
	l. Office of Victims' Rights Lease Extension		
	m. Sitka Lease Extension		
	n. Unalaska Lease Extension		
	o. Wrangell Lease Extension		
	Executive Session		
+	Other Committee Business		
	a. FY17 Legislative Audit		
	b. FY19 Proposed Budget		

OTHER MEETINGS**JOINT SESSION**

Feb 07	Wednesday	House Chamber	11:00 AM
	State of the Judiciary Address by the Honorable Craig Stowers, Chief Justice		
Feb 22	Thursday	House Chamber	11:00 AM
	Annual Address by the Honorable Lisa Murkowski, U.S. Senator		
Feb 26	Monday	House Chamber	11:00 AM
	Annual Address by the Honorable Dan Sullivan, U.S. Senator		

MISCELLANEOUS MEETINGS

Jan 31	Wednesday	Beltz 105 (tsbldg)	9:00 AM
+	-- Teleconference <Listen Only> -- Continuation of Presentation Series on Alaska's Oil Tax Fiscal System By LBA Consultant: In3nergy Sponsored by Senator Stedman, LBA Chair		
Jan 31	Wednesday	Beltz 105 (tsbldg)	1:00 PM
+	-- Teleconference <Listen Only> -- Continuation of Presentation Series on Alaska's Oil Tax Fiscal System By LBA Consultant: In3nergy Sponsored by Senator Stedman, LBA Chair		
Feb 01	Thursday	Beltz 105 (tsbldg)	9:00 AM
+	-- Teleconference <Listen Only> -- Continuation of Presentation Series on Alaska's Oil Tax Fiscal System By LBA Consultant: In3nergy Sponsored by Senator Stedman, LBA Chair		

MISCELLANEOUS MEETINGS (continued)

- Feb 01** **Thursday** **Beltz 105 (tsbldg)** **1:00 PM**
-- Teleconference <Listen Only> --
+ Continuation of Presentation Series on Alaska's
Oil Tax Fiscal System
By LBA Consultant: In3nergy
Sponsored by Senator Stedman, LBA Chair
- Feb 12** **Monday** **Senate Finance 532** **1:00 PM**
School District Legislative Fly-In
Informal Q & A Session Regarding Alaska's Public
School System
All School District Participants of the Fly-In
are Encouraged to Attend