

The seal of the State of Alaska is a circular emblem. It features a central scene with a person on a horse-drawn wagon in the foreground, a sailboat on the water, and a town with a church steeple in the background. The seal is surrounded by the text "SEAL OF THE STATE OF ALASKA".

**Twenty-Fourth Legislature
Senate Republicans
First Regular Session
Accomplishments
2005**

Senate President Ben Stevens

**Adjournment Package for
Twenty-Fourth Legislature
First Regular Session**

**Supplement to follow covering the
Special Session**

24th Legislature, 1st Session Accomplishments

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Chapter 2 Realizing Alaska's Potential: Resource Development

“Encouraging responsible and economically sound natural resource development is, and always will be, one of the Legislature’s core responsibilities. Natural resource extraction is the bedrock our economy rests on.” – Senator Tom Wagoner

Every session is a new opportunity to review and improve the state’s laws and regulations pertaining to Alaska’s oil, gas, timber, minerals and other natural resources.

Natural Gas Pipeline

Alaska is the energy storehouse for the entire country. The proven reserves at Prudhoe Bay and Pt. Thomson amount to 35 tcf of clean burning natural gas and geologists believe the entire North Slope region holds an amount that is many times that figure. The Senate Majority made the proposed gas pipeline a priority this session by working with the Federal Energy Regulatory Commission to ensure there is access out of the pipeline for Alaskans and access into the pipeline for explorers. The Senate Majority stands ready to review for approval a proposed contract under the state’s Stranded Gas Act. The Legislative Budget & Audit Committee will be the primary legislative committee that reviews and approves any proposed gasline contract. The Committee has retained legal and economic experts to assist the Legislature in its review.

Oil Development

The 1002 area of the Arctic National Wildlife Refuge may hold up to 10 billion barrels of crude oil. That massive amount of oil can effectively reduce our nation’s dependence on foreign oil and help make America more energy secure. The Senate Majority strongly endorses oil exploration and development in ANWR as a way to reduce America’s addiction to foreign oil and to increase jobs, revenue and economic stability to Alaska.

In addition, the legislature passed measures to make the Alaska Oil and Gas Conservation Commission the primary agency overseeing all injection associated with oil and gas development, and to attract exploration activity by extending incentive credits to areas south of the Brooks Range and Cook Inlet.

Ocean/Fisheries

Improving Alaska’s commercial fishing industry while protecting our oceans will always be a legislative priority. This session the Senate Majority handled legislation to protect wild seafood stocks, to open up geoduck harvesting and to increase the marketability of wild Alaskan salmon.

A bill was also passed to comply with the Carlson v. State of Alaska class action suit brought by non-resident fishermen challenging the state’s fee structure charging higher commercial fishing license and permit fees to non-residents.

“An important industry was thrown in trouble when we started the 2005 session. Legislation was desperately needed to address a state Supreme Court ruling that threw the geoduck farming industry into legal limbo. Rep. Jim Elkins and I worked with the administration and the industry to craft a bill that kept an important industry alive.” – Senator Bert Stedman

Senate Legislation

SB 25 GENETICALLY MODIFIED FISH

Sponsors: Senators Kim Elton/Gary Stevens

Requires a label identifying genetically modified fish or fish product. Genetically modified means a finfish or shellfish whose genetic structure has been altered at the molecular level by means not possible under natural conditions.

SB 93 FISHING PERMIT AND VESSEL LICENSE FEES

Sponsors: Senator Ben Stevens

Complies with recent rulings in *Carlson v. State of Alaska* to clarify that the non-residential fee differential for commercial fishing permits is charged "per person" rather than "per permit." Increases the cap on the base fee that the Commercial Fisheries Entry Commission (CFEC) may charge for annual renewal of permits from \$300 to \$3,000. Adds 13 vessel length categories in 25 foot increments and raises the fees for the categories.

SB 102 COASTAL MANAGEMENT PROGRAMS

Sponsor: Senator Gary Stevens

Extends by six months the deadlines regarding the Alaska Coastal Management Program contained in HB 191, which was passed in 2003. Extends the deadline for coastal resource districts to submit revised district coastal management plans to the Department of Natural Resources by an additional 2 months. Installs an audit and sunset clause for the entire Alaska Coastal Management Program in 2011. Provides an explicit prohibition against the adoption by reference of state or federal statutes or regulations. Automatically makes changes to the old district plans that have been requested by the legislature twice in the last three years.

SB 103 OIL & GAS: REG. OF UNDERGROUND INJECTION

Sponsor: Rules by request of the Governor

Provides the State of Alaska with the ability to obtain primary enforcement for the underground injection of waste streams associated with oil and gas development in Alaska. Under the Federal government's Safe Drinking Water Act, the State currently manages a majority of the oil and gas field underground injection activity, with the U.S. Environmental Protection Agency managing the remainder of the program. If passed, the Alaska Oil and Gas Conservation Commission would be the primary agency overseeing all injection associated with oil and gas development. SB 103 will reduce duplication and confusion by streamlining the permitting process for the oil and gas industry.

SB 110 POLLUTION DISCHARGE & WASTE TRMT/DISPOSAL

Sponsor: Rules by Request of the Governor

Transfers responsibility for the federal Clean Water Act National Pollutant Discharge Elimination System (NPDES) program to the State of Alaska. Requires the Department of Environmental Conservation to report to the legislature annually until full authority for administering the NPDES has been transferred. Currently the DEC and federal Environmental Protection Agency jointly oversee surface wastewater discharges in Alaska. This has created a situation where federal regulators are making decisions with a limited understanding of the issues specific to our state. SB 110 will allow the NPDES program to be run in a streamlined, efficient manner that benefits industry and protects the environment. Clarifies the duties of the DEC in developing State authority over the NPDES wastewater discharge permitting program in Alaska. Clarifies the department's responsibilities in the public process and implementation of the permitting process.

SB 124 FISHERIES BUSINESS LICENSE; BOND

Sponsor: Rules by Request of the Governor

Requires fisheries business license holders to pay all required taxes and fines in order to obtain and maintain their license. License holders must pay taxes including assessments supporting the Alaska Seafood Marketing Institute, employment security contributions, local fish taxes and any fines levied by the Alaska Occupational Safety and Health Administration. The bill is intended to prevent fishing businesses from obtaining a license if they repeatedly demonstrate an unwillingness to pay taxes and fines that support the fishing industry and ensure workplace safety. SB 124 also repeals and reenacts a requirement for primary fish buyers and fish processors to have a performance bond. The proposed bond requirements enhance protections for employees and fishermen without placing additional requirements or costs on processors with no history of problems. Eases licensing requirements for processors of good standing by eliminating the current requirement to secure two years of taxes during the Jan. 1 to March 31 period.

SB 147 SPORT FISH FACILITY BONDS/SURCHARGES

Sponsor: Senator Ralph Seekins

Establishes a sport fishing facility surcharge to pay the principal and interest on up to \$69 million in revenue bonds to finance the construction and renovation of fisheries rehabilitation, enhancement and development projects that benefit sport fishing. Terminates facility surcharge once the bonds have been paid in full.

SCR 15 LB&A TO LITIGATE GAS PIPELINE CASE

Sponsor: Senator Gene Therriault

Authorizes the Legislative Budget and Audit Committee to pursue and direct litigation relating to state natural gas transportation.

SJR 2 ENDORSING ANWR LEASING

Sponsor: Senate Resources Committee

Urges the U.S. Congress to pass legislation that opens the coastal plain of the Arctic National Wildlife Refuge to oil exploration. The exploration shall be conducted in an environmentally sensitive way that protects the Porcupine Caribou herd and maximizes the use of Alaska's workforce. It also opposes any unilateral effort to reduce Alaska's share of the royalty revenue from ANWR or any effort to coerce the state into accepting

less than 90 percent of its royalty revenues from oil, gas or minerals from federal land in Alaska.

SJR 5 REAUTHORIZE METHANE HYDRATE RESEARCH ACT

Sponsor: Senator Gene Therriault

Requests the U.S. Congress to reauthorize the Methane Hydrate Research and Development Act to fund research and field-testing under that Act. Requests reauthorization for five years, with appropriations of at least \$70 million over that time frame.

SJR 16 STATES' RIGHT TO REGULATE HUNTING/FISHING

Sponsor: Senator Gene Therriault

Supports legislation before the United States Congress reaffirming the right of the states to regulate fishing and hunting.

House Legislation

HB 26 SHORT-TERM COM FISHING CREWMEMBER LICENSE

Sponsor: Representative Carl Moses by Request

Allows visitors an affordable way to engage in a sort of extreme tourism adventure by actually participating in the fishery as a crewmember.

HB 32 APPROP:GRANT TO ARCTIC POWER FOR ANWR

Sponsor: Representative Vic Kohring

Appropriates \$1.3 million from the general fund for use in promoting the opening of ANWR. Includes \$1.2 million for Arctic Power and \$100,000 to be split equally between the Native village of Kaktovik and the City of Kaktovik.

HB 75 HUNTING, FISHING, TRAPPING

Sponsor: Representative Mike Kelly

Provides an additional protection from outside encroachment on our ability to responsibly harvest our game resources. Includes a legislative intent statement plainly stating the ongoing commitment to constitutional provisions for common use and sustained yield principles.

HB 76 BIG GAME SERVICES & COMM. SERVICES BD

Sponsor: Representative Ralph Samuels

Re-establishes the Big Game Commercial Services Board to oversee an important industry that exists largely on the basis of a healthy wildlife population. The board was allowed to sunset a decade ago, and in the following years, professional hunters, wildlife biologists, public and private land managers and the hunting public themselves have discovered the problems associated with a decentralized, uncoordinated system of licensing and regulating guides and transporters. amended at the request of the sponsor requested by the sponsor to: (1) remove a time requirement that the board issue a license at the first meeting of the board after the applicant satisfied the requirements; (2) change the fine provisions under which the Board would not renew a license; and (3) add a section specifying what must be contained in a contract between a registered guide and a client and a transporter and a client.

HB 197 OIL SPILL EXEMPTIONS FOR GAS WELLS

Sponsor: Oil & Gas Committee

Clarifies the Department of Environmental Conservation's (DEC) authority to exempt gas exploration wells and production facilities from oil discharge prevention and contingency plans ("C-Plans"). The legislation also removes the industry's burden of financial responsibility required of wells that do not pose an oil spill threat.

HB 197 fixes the unintended consequences of last year's HB 531. That legislation, in part, limited previous exemptions for gas exploration and production facilities for all shallow natural gas facilities to a narrow exemption for "non conventional gas wells." The problem HB 197 seeks to correct relates to the new definition of "non conventional gas," which HB 531 defined as "coal bed methane, gas contained in shales or gas hydrates."

Benefits of HB 197 include permitting DEC to focus its resources on the review of C-Plans and proof of financial responsibility for those gas exploration facilities that could potentially incur an oil spill. It also gives DEC authority to conduct inspections the Legislature directed when it changed the contingency plan review renewal requirement from three to five years. In addition, the bill relieves industry from unnecessary financial costs associated with preparing and implementing oil spill contingency plans for gas exploration facilities where no threat of an oil release spill exists. Lastly, HB 197 relieves industry from the costs involving demonstrating proof of financial responsibility in response to oil spills at gas exploration facilities, where no threat of spills exist.

HB 198 AQUATIC PLANT & SHELLFISH FARMING

Sponsor: Representative Jim Elkins

Amends the state's Aquatic Farming Act (AS 16.40.100 - 199) to allow aquatic farms to continue to operate in compliance with a recent Supreme Court decision.

HB 230 LOANS FOR COMMERCIAL FISHING TENDERS

Sponsor: Representative Bill Thomas

Makes a small change in the Commercial Fishing Loan Act (AS 16.10.300 - 370) to allow Alaskan owners of fish tenders to be eligible for loans to improve the quality of our seafood products. Under the current law, the Division of Investments in the Department of Commerce, Community and Economic Development offers low interest loans to fishing permit holders to upgrade their equipment in order to improve the quality of the seafood product they are handling. This bill promotes Alaskan ownership in the industry and the betterment of our fisheries resources.

HB 256 RUTH BURNETT SPORT FISH HATCHERY

Sponsor: Representative Jay Ramras

Names the sport fish hatchery to be built in Fairbanks the Ruth Burnett Sport Fish Hatchery.

HB 286 VALUE OF ROYALTY ON GAS PROD./ TAX CREDIT

Sponsor: Representative Ralph Samuels

Adds language that allows the Department of Natural Resources to use the gas transfer price set by the RCA much like DNR uses the contract price for gas. The transfer price is

the rate ML&P is required to charge itself for the Beluga Field gas it uses. The proposed amendment allows DNR to give (aa) treatment not only to an arms-length gas supply contract, but also to RCA-approved orders setting the transfer price when a utility uses its own natural gas. The bill also extends exploration incentive credits to areas of Alaska south of the Brooks Range. It also extends credits to the Cook Inlet Basin, subject to slightly different criteria reflecting the fact that it is a mature basin.

The original credits were created in 2003 and industry is starting to respond to the credits, which are applied to the production tax. The extension applies to areas of Alaska other than the North Slope, hoping to attract exploration activity and then development and production.

Alaska is a high-cost area to operate in and the credits were developed to help offset some initial high costs and encourage industry activity with the goal of more oil and gas production and development.

The credits are expected to be offset with added development and production, resulting in revenues from other sources, like royalty and other taxing mechanisms.

HCR 2 IN-STATE NATURAL GAS NEEDS

Sponsor: Representative Ralph Samuels

Urges Governor Murkowski to take quick action to conduct, approve, or sanction a study of in-state natural gas needs and take-off points for intrastate use of natural gas transported in a North Slope natural gas pipeline, with the objective that the study be completed before the final rules relating to the Alaska Natural Gas Pipeline take effect on the 90th day following the publication in the Federal Register of the rules adopted by the Federal Energy Regulatory Commission.

HCR 7 COOK INLET OIL & GAS PLATFORM ABANDONMENT

Sponsor: Representative Kurt Olson

Urges the Governor to direct the DNR to undertake a comprehensive review of platform abandonment.

HCR 9 AGRICULTURE DAY

Sponsor: Representative Carl Gatto

Acknowledges the importance of agriculture in Alaska. This resolution is in recognition of the farmers and those in related industries who feed our state and add more than \$50,000,000 annually to the economy of the State of Alaska.

HCR 10 SUPPORTING KENSINGTON GOLD MINE

Sponsor: Resources Committee

Encourages all federal and state agencies to proceed and complete thorough and timely permitting reviews and issue the necessary permits in order that a summer 2005 construction schedule can be achieved and that 2006 gold production with associated economic and employment benefits can be realized to benefit the people of Southeast Alaska and the state as a whole.

HJR 6 LABELING OF FISH/SHELLFISH PRODUCTS

Sponsor: Rep. Beth Kerttula

Requires labeling of fish products and processed food items containing fish to identify the country of origin and to distinguish between wild and farmed fish and fish products.

HJR 15 OPEN OCEAN AQUACULTURE

Sponsor: Fisheries

Expresses that the Legislature is committed to ensuring that open ocean aquaculture does no harm to ecosystem integrity; is opposed to open ocean aquaculture for finfish and predatory shellfish; and requests that the regional fisheries management councils be granted authority over any open ocean aquaculture proposal under the Magnuson-Stevens Fishery Conservation and Management Act. Urges Congress to prohibit the issuance of any license to permit an aquaculture facility that handles genetically modified fish in the federal exclusive zone or has access to open waters, and requests Congress to require federal proposals to authorize open ocean aquaculture to undergo a legislative environmental impact statement.

Chapter 3 Preparing the Next Generation: Education

This session the legislature restated its commitment to education by appropriating another major increase in K-12 education funding. Now more than ever the worldwide demand for a well-educated, technologically proficient workforce requires Alaska to make public schools and the university system a top priority.

House Legislation

HB 158 PUBLIC SCHOOL ACCOUNT/PUBLIC EDUCATION FUND

Sponsor: House Finance Committee

Renames the “Public School Account” to the “Public Education Fund.” Clarifies that money appropriated from the fund may be expended without further appropriation, and that money left over in the fund does not lapse.

HB 161 REEMPLOYMENT OF RETIREES

Sponsor: Representative Jim Elkins

Extends the sunset date of legislation enacted by HB 242 (2001) and SB 94 (2003) to July 1, 2009. Allows certain PERS and TRS members who retired with a normal retirement to return to work, continue to receive normal retirement benefits, and waive participation in the retirement systems.

Chapter 4 Maximizing Opportunity: Economic Development

“Alaska’s core industries are reasonably sound and even ones that have struggled in recent years are showing remarkable signs of improvement. Commercial salmon fishing is reinvigorated, despite the efforts of overzealous outside groups, the tourism industry continues to grow and hard rock mining can legitimately be called a booming business. The economic opportunities for Alaskans are in many respects better than ever.” –Senator Con Bunde

The legislature has the power and the responsibility to promote sustainable economic development. This year, as in previous years, the Senate Majority worked with the administration and private industry to enact legislation that encourages and maintains a vibrant economy and a healthy labor force.

Legislation was passed to undermine the economic incentives that encourage spyware providers to invade computers, to clarify Alaska Wage & Hour laws, and to require state regulatory agencies to consider the impact of proposed regulations on small businesses.

Senate Legislation

SB 52 OCCUPATIONS/CORPORATIONS/BANKS/SECURITIES

Sponsor: Rules by request of the Governor

Makes changes necessary to implement Administrative Order No. 219, which streamlines and centralizes activities relating to the formation of corporations and other business entities within the Department of Commerce, Community and Economic Development. Purpose is to provide "one-stop-shopping" for the formation of business entities and other business related functions.

SB 67 CLAIMS AGAINST HEALTH CARE PROVIDERS

Sponsor: Senator Ralph Seekins

Caps non-economic damage awards made against health care providers based on a two-step scale: damage awards arising out of wrongful death or severe permanent physical impairment that is more than 70% disabling are limited to \$400,000 while all other non-economic damage awards are limited to \$250,000. Limit does not apply if the damages resulted from reckless or intentional misconduct.

SB 105 NO OVERTIME WAGES FOR FLIGHT CREW

Sponsor: Senator Ralph Seekins

Retroactively removes flight crews from statutory overtime compensation required under the Alaska Wage and Hour Act found in AS 23.10.060. Applies retroactively to flight crew work performed on or after Jan. 1, 2000.

SB 129 WRONGFUL FILING OF LIS PENDENS**Sponsor: Senator Charlie Huggins**

Makes it a Class A misdemeanor to file a wrongful notice that an action is pending that affects title to real property when the notice is filed with reckless disregard that the action would not affect title to the property or no action is actually pending.

SB 140 COMPUTERS & INTERNET**Sponsor: Senator Gene Therriault**

Makes it unlawful for a person who is not the owner or authorized user of a computer to use spyware to cause a pop-up advertisement under circumstances defined in the bill, or to purchase advertising that violates the prohibition on using spyware to customize pop-up advertising. Makes online enticement of minors a felony under Alaska law. A person commits the crime of online enticement of a minor if the person is 18 years or older and knowingly uses a computer to communicate with another person to entice, solicit or encourage the person to engage in an act described in AS 11.41.455(a)(1)-(7). Makes online enticement a class C felony or a class B felony if the defendant is required to register as a sex offender or child kidnapper under AS 12.63 or similar law. Makes electronic distribution of indecent materials, i.e. pornography, to minors a felony under Alaska law.

SJR 11 REPEAL TELECOMMUNICATIONS TAX**Sponsor: Senator Gene Therriault**

Urges the United State Congress to amend the tax code to repeal the federal excise tax on communications.

House Legislation**HB 15 LIQUOR LIC: OUTDOOR REC. LODGE/BARS/PUBS****Sponsor: Representative Kevin Meyer**

Creates a seasonal alcohol beverage license for lodges that provide hunting and fishing services and are inaccessible from the road system.

HB 33 EFFECT OF REGULATIONS ON SMALL BUSINESSES**Sponsor: Representative Kevin Meyer**

Requires state regulatory agencies to consider the impact of proposed regulations on small businesses.

HB 35 EXTEND BD ARCHITECTS/ENGINEERS/SURVEYORS**Sponsor: Representative Vic Kohring**

Extends the termination date for the Board of Registration for Architects, Engineers and Land Surveyors for an additional five years. The current termination date is set for June 30, 2005. If the Legislature takes no action to extend the board, it will go into a one-year phase out to allow the board to conclude its administrative operations, followed by termination. Amended to include landscape architects a full board position.

HB 47 EXTEND BOARD OF REAL ESTATE APPRAISERS**Sponsor: Rep. Ralph Samuels**

Extends the Board of Certified Real Estate Appraisers, which is due to sunset, until June 30, 2010.

HB 61 GAMING: CALCUTTA POOLS & CRANE CLASSICS**Sponsor: Representative Lesil McGuire**

Protects traditional "Calcutta" pool games of chance, which is strongly supported by many Alaskans and charity organizations.

HB 64 EXTEND BOARD OF PUBLIC ACCOUNTANCY**Sponsor: Rep. Mike Hawker**

Extends the Board of Public Accountancy

HB 90 STATE TREASURY WARRANTS**Sponsor: State Affairs**

Continues the committee's work last session on House Bill 373-Stale Dated Warrants. It clarifies existing statutes governing state treasury warrants by providing that warrants, like bank checks, are negotiable instruments under the Uniform Commercial Code.

HB 119 AK REGIONAL ECONOMIC ASSISTANCE PROGRAM**Sponsor: Community & Regional Affairs**

Extends the sunset date for the Alaska Regional Development Organization (ARDOR) to 2008.

HB 123 OCCUPATIONAL BDS:EXTENSION/RECEIPTS/PSYCH**Sponsor: Labor & Commerce Committee**

extends the sunset for the boards of Barbers and Hairdressers, Social Work Examiners, Pharmacy, Professional Counselors, Psychologists and Psychological Associate Examiners and Veterinary Examiners. Each of these boards have been recommended by Legislative Audit for extension.

HB 169 REAL ESTATE LICENSEES**Sponsor: Representative Norman Rokeberg**

Requires a real estate licensee take 20 hours of post-licensing education within one year of receiving his/her initial license. Current law requires a real estate broker supervise every transaction. This is not practical in large real estate firms. In Anchorage, for example, 60% of the real estate transactions occur within three firms, with a total of four brokers. HB 169 will allow brokers to employ associate brokers or attorneys to assist in the orderly review of real estate transactions prior to the closing of the transaction.

HB 182 WAGE & HOUR ACT: EXEC/PROF/ADMIN/SALES/DP**Sponsor: Representative Norman Rokeberg**

Provides important clarifications to Alaska Wage & Hours laws. Currently, those individuals working in an executive, administrative and professional capacity are exempt from Alaska's Wage & Hour laws. HB 182 clarifies the definitions of executive, administrative and professional employees by referencing the federal Fair Labor Standards Act for the definitions for these terms. Most employers and employees have to comply with both state and federal law. This will simplify the process for both employers and employees as they will only have to comply with the federal definitions. The federal definitions move from a time based test (80/20) to a primary duties test.

The bill also provides that the salary requirement for this exemption be at least 2 times the minimum wage. This minimum salary level was adopted last year and remains in HB 182. HB 182 also clarifies the definitions of outside salesman and salesman who is employed on a straight commission basis. The bill provides for an exemption from the

Wage & Hour Act for those in computer-related occupations. Previously, these individuals have fallen under the exemption for “professional” employees, but we have now broken them out as a separate exemption. Lastly, the bill provides an applicability section, which provides the courts with a bright-line rule for when these new provisions should be applied in a court case. Any claim made on or after the effective date shall apply these new provisions.

HB 211: DENTISTS; HYGIENISTS; BD OF DENTAL EXAM

Sponsor: Representative Mike Kelly

Extends the Board of Dental Examiners to June 30, 2011 as recommended by Legislative Audit #08-20031-04 dated August 5, 2004.

HB 213 ALCOHOL SERVER EDUCATION

Sponsor: Representative Jay Ramras

Makes it easier for alcohol servers to maintain their livelihood by removing unnecessary coursework for those competent enough to pass their alcohol server education test.

HB 216 INSURANCE RATES, FORMS, AND FILING

Sponsor: Labor & Commerce

Creates an environment where insurers compete more vigorously on rates and products offered to consumers. Encourages insurers who are in the Alaska market to stay here and will attract new insurers to Alaska. This will result in more competition, which will give consumers more choices and more competitive prices. Conforms with the national movement away from strict government price controls toward a more flexible, more competitively oriented system for the regulation of insurance rates and forms.

HB 229 REINSTATEMENT OF NATIVE CORPORATIONS

Sponsor: Representative Richard Foster

Introduced at the request of one of the Regional Native Corporations in House District 39. Corporations have been involuntarily dissolved by the commissioner under AS 10.06.633 and failed to apply for reinstatement during the grace period established in statute. This bill allows those corporations to reinstate with the all the original Alaska Native Claims Settlement Act assets, liabilities and rights.

Chapter 5 Honoring Our Heroes: Military & Veterans

*“Serving in the military may be the highest form of public service. You are asked to risk everything, possibly even your life to protect our nation, our way of life, even the lives and liberty of people in far away countries.”—
Senator Charlie Huggins*

Alaska’s active military members and veterans occupy a special place in our state. Every session lawmakers look for ways to help, respect and honor the men and women who have served our country. The 2005 session resulted in several pieces of legislation that accomplished those goals.

Legislation to honor Alaska’s Territorial Guard was movingly underscored this year when Senator Charlie Huggins awarded an Alaska Territorial Guard Medal and Certificate to Representative Carl Moses of Unalaska in front of a packed committee room. The award recognized Representative Moses for his service to Alaska and the nation during World War II. Representative Moses entered the Territorial Guard at age 13 and served until he joined the U.S. Army in 1951. The Alaska Territorial Guard was formed shortly after the Japanese invasion of Alaska. Its membership consisted primarily of Alaska Natives, who proved themselves invaluable as guides and scouts for the U.S. Army in its effort to protect our state from further Japanese attacks.

Senate Legislation

SB 90 ALASKA TERRITORIAL GUARD DAY

Sponsor: Senator Charlie Huggins

Declares October 18 of each year as Alaska Territorial Guard Day, providing an opportunity for communities and civic groups to honor the ATG with special ceremonies and observances.

House Legislation

HB 181 WAIVE CONTINUING EDUC. REQ FOR MILITARY

Sponsor: Representative John Coghill

Eliminates the possibility of a professional licensee losing his or her license because of failure to fulfill statutory requirements for continuing education while serving on active duty in a combat zone or area where continuing education classes are not available.

HB 201 PERM. FUND DIVIDEND APPS OF MILITARY

Sponsor: Representative Mike Chenault

Permits the person who has power of attorney for an individual who is serving on active duty with the United States armed services outside the United States to sign and file a permanent fund application for said individual.

HJR 8 SUPPORTING ALASKA ARMY NATL. GUARD

HJR 8 Sponsor: Representative Bruce Weyhrauch

Expresses support for Alaska Army National Guard soldiers and families deployed worldwide. More than 250 Alaska Army National Guard soldiers are now on active duty

and deployed throughout the world. These citizen soldiers from all over Alaska are serving in overseas training deployments, combat missions, stability and support operations.

Chapter 6 Protecting our Citizens: Public Safety

“What constitutes public safety? That question challenges lawmakers every legislative session. The dangerous new world of cyber crime requires us to constantly reevaluate how crimes are committed and draft innovative legislation to fight it. In the 21st century, public safety also means laws encouraging people to protect themselves and their families.”—Senator Ralph Seekins

The year 2005 was a banner session for public safety legislation. The session produced the landmark Criminal Sentencing Bill (SB 56) that made Alaska’s sentencing laws conform to a recent U.S. Supreme Court decision (*Blakely v. Washington*). The Legislature passed bills encouraging safety belt use, reestablishing the state Suicide Prevention Council, improving the State’s ability to hold juvenile offenders accountable for their conduct, and requiring incarcerated felons to provide DNA samples.

Another bill allows prosecution of caregivers who cause injury that is sufficiently threatening to require medical examination, even if that examination ultimately discloses no need for treatment; and provides more protection for a child by limiting the time a non-custodial parent can hold the child.

“The Blakely decision had the effect of throwing our entire criminal justice system into turmoil with potential for tremendous costs by requiring separate jury trials for aggravating circumstances in sentencing. Senate Bill 56 is a fix that restores order to our system by providing for a process that is both constitutional and cost effective.” – Senator Gene Therriault

A bill discouraging the use of Internet Spyware also enacts provisions to address online victimization of minors, one of the worst byproducts of the age of the Internet. The bill will help protect Alaska’s children from sexual predators and provide a “safety net” as they navigate the Internet.

Senate Legislation

SB 56 CRIMINAL LAW/PROCEDURE/SENTENCING

Sponsor: Senator Gene Therriault

Amends current presumptive sentencing, from a set term to a range of terms, to bring Alaska law into conformity with requirements imposed by the federal constitution as a result of the *Blakely v. Washington* decision. Allows a judge to consider all relevant factors in sentencing and the ability to impose probation without undue complications in the criminal justice process. Improves public safety by clarifying the authority of police officers to arrest violators of probation and parole, and limiting the abuse of periodic sentencing.

SB 60 EXTEND SUICIDE PREVENTION COUNCIL

Sponsor: Senator Ben Stevens

Extends the termination date of the Statewide Suicide Prevention Council from June 2005 to June 2009. Alaska has nearly twice the average national number of suicides. In 2001, the Alaska Legislature created the Statewide Suicide Prevention Council to establish strategies and goals to reduce the number of suicides. The council is currently working with the Alaska Injury Prevention Center on a study that examines suicides over a 12-month period. Voluntary interviews with friends and families of victims will be combined with medical records and law enforcement reports. The council will also conduct a media campaign to educate Alaskans about suicide and its devastating effects.

SB 63 USE SEAT BELT ROAD SIGNS

Sponsor: Senator Ben Stevens

Allows the Alaska Department of Transportation to erect and maintain roadway signs that encourage the use of safety belts. Stipulates placing the signs at the sites of traffic fatalities that could have been prevented if seat belts were in use. Between 1997-2002 about 55% of the traffic fatalities in Alaska could have been prevented if safety belts had been used.

SB 135 ASSAULT & CUSTODIAL INTERFERENCE

Sponsor: Senator Fred Dyson

Amends the definition of custodial interference and assaults against children. SB 135 alters the definition of assault from "reasonably requires treatment" to "would cause a reasonable caregiver to seek medical attention from a health care professional in the form of diagnosis or treatment." This proposed change comes after a caregiver's assault conviction involving a nine month old baby was overturned by the court of appeals. The bill also protects children kidnapped by a non-custodial parent claiming the child was subjected to abuse and/or neglect. These cases typically mean the child is kept out of school and moved around to avoid the authorities. The "necessity" defense used in these cases will be changed by requiring the non-custodial parent to keep the child no more than 24 hours, or the time necessary before contacting authorities, whichever is shorter.

SB 140 COMPUTERS & INTERNET

Sponsor: Senator Gene Therriault

Makes it unlawful for a person who is not the owner or authorized user of a computer to use spyware to cause a pop-up advertisement under circumstances defined in the bill, or to purchase advertising that violates the prohibition on using spyware to customize pop-up advertising. Makes online enticement of minors a felony under Alaska law. A person commits the crime of online enticement of a minor if the person is 18 years or older and knowingly uses a computer to communicate with another person to entice, solicit or encourage the person to engage in an act described in AS 11.41.455(a)(1)-(7). Makes online enticement a class C felony or a class B felony if the defendant is required to register as a sex offender or child kidnapper under AS 12.63 or similar law. Makes electronic distribution of indecent materials, i.e. pornography, to minors a felony under Alaska law.

SB 154 JUVENILE DELINQUENCY PROCEEDINGS

Sponsor: Senator Gene Therriault

Applies the State's juvenile delinquency laws to a person 18 years or older if the person is alleged to have committed a violation of criminal law that occurred when the person was under 18, and the period of limitation has not expired. Amends Court Rule 3(e), Alaska Delinquency Rules, to allow juvenile offenders to participate telephonically in certain proceedings in which personal appearance is not essential to the fair disposition of the matter. Specifies that a juvenile has the right, and the ability to waive the right, to be physically present in court for: arraignment, adjudication, disposition, probation revocation, extension of jurisdiction and waiver of jurisdiction hearings.

House Legislation

HB 19 PESTICIDE & BROADCAST CHEMICALS

Sponsor: Representative Kevin Meyer

Levies a registration fee for pesticide and broadcast chemicals registered for sale or distribution in the state, establishes a licensing fee for certified applicators and requires notice when pesticides or broadcast chemicals are applied in a public place. The \$85 annual chemical fee levied by HB 19 would shift the burden of Alaska's pesticide regulation and registration program from the general fund to program receipts. Caps fees at \$120 for registration and \$25 for licensing.

HB 54 BAIL REVIEW

Sponsor: Representatives Ralph Samuels and Bill Stoltze

Establishes three requirements designed to alleviate calendaring strain on the court system and the district attorney's office while also protecting crime victims' rights and reducing same day notice of hearings. Also makes it clear that a victim may be introduced to a jury during the opening statement at a trial or during the jury selection process. Current law doesn't prohibit it, but some judges do not allow it because the law isn't clear. Another provision in the bill gives the victim a right to petition a review of a sentence that falls below the set range for a crime. Finally, the bill cleans up language in the Violent Crimes Compensation Board statute to allow a retired attorney or physician to serve on the board. Current statute prohibits this. These provisions balance the rights of the accused with the rights of crime victims and accommodate for the schedules of both the district attorney's office and the court system.

HB 88 CRIM LAW:MINORS, SCHOOLS, DRUGS,SENTENCES

Sponsor: Rules by request of the Governor

Provides that minors who are 16 or 17 years old and commit certain felony misconduct involving weapons are automatically waived to adult court. Adds school activities and property as an aggravator.

HB 91 INDECENT EXPOSURE TO MINORS

Sponsor: Representative John Coghill

Makes repeat convictions of indecent exposure within the observation of a person under sixteen years of age a felony.

HB 95 PUBLIC HEALTH DISASTERS/EMERGENCIES

Sponsor: Rules by request of the Governor

The Department of Health and Social Services (department) routinely uses the traditional public health disease control tools of epidemiological surveillance and investigation, and historically has used isolation and quarantine to stop the spread of disease in the rare times it has been warranted. Brings Alaska law into alignment with the rest of the nation.

HB 116 LIABILITY FOR ALCOHOL LAW VIOLATIONS

Sponsor: Representative Kevin Meyer

Creates an exception to AS 04.16.049 to protect young volunteers cooperating with law enforcement from retributive action and liability. Keeping alcoholic beverages out of the hands of people under 21 years of age is a cooperative effort. Young people working with law enforcement should not be subjected to lawsuits for participating in an investigation.

HB 124 COLLECTION OF DNA/USE OF FORCE

Sponsor: Representative Tom Anderson

Allows a correction, probation or parole officer to use reasonable force in the collection of DNA samples required by law. Officers shouldn't run the risk of being punished for carrying out their duties

HB 131 ACCESS DEVICE & I.D. DOCUMENT CRIMES

Sponsor: Representative Bill Stoltze

Increases the penalty from a class A misdemeanor to a class C felony for: Theft of an access device, such as a credit card or bank account number. The crime of fraudulent use of an access device if the value of the property or services obtained is \$50 or more. The crime of obtaining an access device or identification document by fraudulent means.

HB 136 DRUNK DRIVING TREATMENT PROGRAM

Sponsor: Representative Norman Rokeberg

Expands the court-ordered treatment programs, i.e. "Wellness Courts," to felony DUI defendants. The statutory authority for these courts can be found under AS 28.35.030 and AS 28.35.032. Requires courts to impose at least minimum fines for DUIs. Some courts have been suspending all or a portion of the minimum fines. Increases the percentage of fines, from 50 percent to 75 percent, that can be waived for successful therapeutic court graduates.

HB 184 MUNICIPAL FIREARM ORDINANCES

Sponsor: Representative Mike Chenault

This bill was introduced to ensure that citizens be able to look to one law as the single final authority regarding firearm regulation. This bill will guarantee consistency in firearm law within the State of Alaska.

HB 219 STRANGULATION & SUFFOCATION CRIMES

Sponsor: Representative Mike Hawker

Permits felony prosecution for any assault involving strangulation or suffocation.

HB 210 BLOODBORNE PATHOGEN TESTING

Sponsor: Representative Lesil McGuire

Takes policies and procedures for testing for blood borne pathogen exposure to correctional officers that were passed by the 23rd Alaskan Legislature and expands them to include peace officers, firefighters, emergency medical technicians, mobile paramedics and contract employees in correctional facilities.

HB 249 ENHANCED 911 SURCHARGES & SYSTEMS

Sponsor: Representative Mike Hawker

Authorizes the funding mechanisms municipalities need to deliver Enhanced 911 (E-911) services. HB 249 also incorporates limitations protecting taxpayers from excessive charges

Chapter 7 Moving Forward: Transportation and State Infrastructure

“It goes without saying that a state twice the size of Texas and with more coastline than the entire Lower 48 needs a substantial transportation system. This year the Senate Majority moved several major transportation infrastructure projects forward. The groundwork done this session will have the guys in hardhats moving dirt real soon.” – Senator Charlie Huggins

Legislation passed this year allows the Department of Transportation & Public Facilities to proceed in a more timely manner with projects for which a cost benefit study is not required, and provides a revenue stream to maintain and operate airport facilities without requiring an increase in the airport operating budget by establishing customer facility charges. Another measure increases the total amount of bond authorization for the state's two international airports to pay for a seismic retrofit and terminal upgrades.

“Building up Alaska’s roads, bridges, ports and rail lines now will prepare our state for construction of the North Slope natural gas pipeline. Smart transportation planning today will pay off when pipeline construction begins.” – Senator John Cowdery

Senate Legislation

SB 16 POWERS/DUTIES DOTPF/TRANSPORTATION PLAN

Sponsor: Senator Gary Stevens

Deletes the requirement that the Department of Transportation and Public Facilities participate in setting thermal and lighting energy standards. Deletes the requirement that the DOT&PF conduct a cost benefit study for projects where such studies are not warranted. Includes other statutory clean-up language requested by DOT&PF.

SB 133 AVIATION ADVISORY BOARD

Sponsor: Rules by request of the Governor

Creates a permanent advisory board within the Alaska Department of Transportation and Public Facilities to advise the commissioner on the department's aviation functions. The board will consist of 11 members appointed by the governor to staggered three year terms. All board members will serve at the pleasure of the governor.

SB 142 REGIONAL SCHOOL BD LAND OWNERSHIP

Sponsor: Labor & Commerce Committee

Excludes airport properties from AS 14.08.151(b), which directs the state to convey title to land and buildings used in relation to regional educational attendance area schools when requested to do so by the regional school board.

SB 153 INTERNATIONAL AIRPORTS REVENUE BONDS

Sponsor: Rules by request of the Governor

Amends AS 37.15.410 to increase the total amount of bond authorization for the state's two international airports from \$524,500,000 to \$812,500,000. Annual debt service on the revenue bonds will be paid for primarily through airline rates and fees. At the Ted Stevens Anchorage International Airport, the bond package includes \$91 million for a seismic retrofit of the A and B concourses of the South Terminal. In Fairbanks, \$86.8 million in bond proceeds will upgrade and replace terminal facilities to accommodate future growth in passenger numbers and address seismic and code issues.

SB 158 MUNI TAX ON STATE CONSTRUCTION CONTRACTS

Sponsor: Senator Charlie Huggins

Prohibits the imposition of municipal sales and use tax on a construction contract awarded by the state or a state agency, or on a subcontract awarded in connection with the project funded under the construction contract.

SR 2 EAST LYNN CANAL HIGHWAY

Sponsor: Senator Bert Stedman

Supports the Alaska Department of Transportation & Public Facilities' efforts to improve transportation to and from Juneau and to build the East Lynn Canal Highway.

House Legislation

HB 115 AIRPORT CUSTOMER FACILITY CHARGES

Sponsor: Labor & Commerce

Establishes customer facility charges (CFCs) to improve airport facilities without the expenditure of state funds. Provides a revenue stream to maintain and operate facilities, without requiring an increase in the airport-operating budget, as the cost of maintenance will be paid using the related customer facility maintenance charge.

HB 279 OUTDOOR ADVERTISING; ENCROACHMENTS

Sponsor: Transportation Committee

Inserts an exception into statute that will grandfather current encroachments in the right-of-way of a highway by obtaining a permit by the Department of Transportation & Public Facilities. The permit may be issued to a private person, a government agency acting in a business capacity, or an owner or lessee of land contiguous to the right-of-way. To qualify for the permit, the encroachment must meet the following criteria: does not pose a risk to the traveling public, was erected in good faith; would pose a hardship on the landowner if the permit is denied.

HR 7 EAST LYNN CANAL HIGHWAY

Sponsor: Representative Bruce Weyhrauch

Supports the Alaska Department of Transportation & Public Facilities' efforts to improve transportation to and from Juneau and to build the East Lynn Canal Highway.

Chapter 8 Enhancing Quality of Life: Health & Social Services

The state's social services safety net was considerably strengthened thanks to the FY 06 State operating budget. Many pieces of legislation were passed affecting health care and health management.

The majority and minority of both the House and Senate unanimously joined to pass groundbreaking legislation revamping the State's Child in Need of Aid statutes to protect and preserve families in Alaska and make government accountable for its actions when children are in State custody.

Senate Legislation

SB 22 MEDICAID COVERAGE FOR BIRTHING CENTERS

Sponsor: Senators Fred Dyson and Bettye Davis

Adds birthing centers to the list of health facilities eligible for Medicaid reimbursement if the U.S. Department of Health and Human Services authorizes the payment under the State of Alaska's Medicaid State Plan.

SB 42 NATUROPATHIC MEDICINE TASK FORCE

Sponsor: Senator Ralph Seekins

Extends the Task Force on Naturopathic Scope of Practice until February 1, 2006 and requires a written report to the legislature regarding proposed legislation and other recommendations by December 1, 2005.

SB 51 PUBLIC ASSISTANCE PROGRAMS

Sponsor: Rules by request of the Governor

Reauthorizes the Department of Health and Social Services to award and administer state funds under the Alaska Native family assistance grant program to support the operation of federally approved Tribal Temporary Assistance for Needy Families (TANF) Programs. Clarifies that if the federal government decreases funding of the federal block grant, the State is not obligated to replace the funding with State funds.

SB 125 LICENSING MEDICAL OR CARE FACILITIES

Sponsor: Governor

Consolidates the licensing functions of the Department of Health and Social Services as part of a reorganization initiated by Executive Order #108 to streamline DHSS program operations. Requires DHSS to implement a single, consolidated background check process across all programs to reduce the risk of abuse and neglect of its vulnerable clients

SB 150 ALASKA CHILDREN'S TRUST FUND GRANTS

Sponsor: Health, Education & Social Services

Specifies criteria for awarding grants from the Alaska children's trust fund. Requires an applicant to submit and the board to consider a plan for sustainability and self-sufficiency when awarding grants. Allows the board to reduce or discontinue a grant awarded or

distributed from the children's trust fund at any time during the grant period if the project is not being successful in accomplishing its objective, as determined by the board.

SJR 6 FEDERAL MEDICAL ASSISTANCE REDUCTION

Sponsor: Senate Finance Committee

Urges federal action to maintain the existing ratio of 57.58 percent federal funds and 42.42 percent state funds for medical assistance expenditures, known as the Federal Medical Assistance Percentage (FMAP).

House Legislation

HB 53 CHILDREN IN NEED OF AID/ADOPTION/GUARDIAN

Sponsor: Representative John Coghill

Opens CINA proceedings to the public. Gives relatives preference for placement and adoption and requires best effort for visitation and notice of rights. Eliminates language in AS 47.10.960 that stated there was no duty or standard of care for children in state custody. Provides for state agencies cooperating more with legislative offices when inquiring for constituents. Places voluntary relinquishment in statute. Creates a statutory grievance process and a state review panel. Elevates the use of Child Advocacy Centers and mandatory videotaping of interviews involving sexual abuse victims. Establishes criteria for interviews conducted by school officials. Provides that the videotape of a sexual abuse interview of a minor under the age of sixteen can be admissible evidence in a criminal case if the witness is available for cross examination.

HB 85 PRESCRIBED MEDICATION FOR STUDENTS

Sponsor: Representative Kevin Meyer

House Bill 85 requires that schools permit students to self-administer medication for asthma, anaphylaxis.

HB 102 MEDICAL LICENSE: APPLICATION/FOREIGN GRAD

Sponsor: Representative Bill Stoltze

Allows the Alaska State Medical Board to adopt competency requirements for foreign medical school graduates. Currently, the State Medical Board has no discretion in determining credentials for licensure of foreign medical school graduates in Alaska, other than a completion of a three-year U.S. graduate medical education program. HB 102 allows for a little flexibility where currently none exists. HB 102 now moves to the House Rules Committee.

HB 106 SENIOR CARE PROGRAM

Sponsor: Rules by request of the Governor

Repeals the temporary law created last year and replaces it with a permanent law that will strengthen the SeniorCare program and allow it to continue. It is crucial that the State of Alaska continue to provide critical support for Alaska's most needy senior citizens beyond January 1, 2006.

HB 120 HEALTH CARE EMPLOYEE PROTECTION

Sponsor: Representative Peggy Wilson

Repeals two exemptions from Alaska's bloodborne pathogen protection standards to bring Alaska standards into compliance with federal standards and makes the State eligible for federal grants.

HB 156 COMMISSION ON AGING**Sponsor: Representative Jim Holm**

The Commissioner of the Department of Administration has indicated he is not able to participate as a member of the Alaska Commissioner of Administration (ACoA) and supports removing DOA's seat. At its February 2005 quarterly meeting, the ACoA passed a motion requesting that the seat vacated by DOA be filled by "a senior services provider, regardless of age." HB 156 simply makes this change and a few other conforming changes.

HB 185 POSTSECONDARY STUDENT IMMUNIZATION**Sponsor: Representative Mike Chenault**

Removes postsecondary educational institutions from the applicability of the provisions of AS 14.48. Requires postsecondary educational institutions to provide information, and receive a statement from the student having read the information on meningococcal disease prior to attending or living in student housing for said institution.

HB 214 ANATOMICAL GIFTS & REGISTRY**Sponsor: Representative Lesil McGuire**

This bill works to make the Alaska Donor Registry program inclusive rather than exclusive by allowing our in-state donation program access to the registry, offers an expanded definition of technician to reflect the people who are trained to do the actual recovery procedures, allows increased notification for greater donation potential and clears up inconsistencies between federal regulations and state law.

HB 225 MEDICAL EXAMINERS & AUTOPSIES**Sponsor: Representative Lesil McGuire**

Requires the commissioner of health and social services to appoint both a chief medical examiner and a deputy medical examiner to share the extensive workload.

HCR 1 SOBRIETY AWARENESS MONTH: MARCH 2005**Sponsor: Representative Norm Rokeberg**

Designates March 2005 as Sobriety Awareness Month.

HJR 20 PROSTATE CANCER DRUGS**Sponsor: Representative Carl Gatto**

Urges the United States Congress and the United States Department of Health and Human Services, United States Food and Drug Administration, to assist in the prompt approval of new drug applications for targeted drugs for the treatment of prostate cancer.

Chapter 9 Increasing Government Efficiency: State & Municipal Issues

“While the state and local governments are separate entities, they can still work to each other’s mutual benefit. I believe the job of any legislator is to take ideas from communities across the state and turn them into legislation that makes state and local governments work in harmony. The payoff is a higher quality of life for all Alaskans and that’s really what good government is all about.” –Senator Gary Stevens

Several pieces of legislation were passed in 2005 that streamline State and municipal government operations and make them run more efficiently.

A bill changing the requirements for holding initiative and referendum special elections will save municipal governments the expense of costly special elections and give them flexibility to address urgent issues in a special election if it is deemed in the best interest of the municipality. Another one assures that auditors will measure the efficiency and effectiveness of boards, commissions and agencies during sunset reviews, and allows for better use of audit staff and committee time by increasing the standard sunset period.

A resolution establishing an Advisory Commission on Local Government lays the groundwork for addressing both short- and long-term sustainability issues of local communities in the unorganized borough.

Senate Legislation

SB 14 MUNICIPAL ELECTIONS

Sponsor: Senator Gary Stevens

Removes the requirement that municipalities hold a special election for initiatives and referendums if no regular election occurs within 75 days after certification. Gives municipalities the option of: holding the vote at the next regular election; holding the vote at an already scheduled special election occurring later than 60 days after certification of the petition; or ordering a special election if it determines it is in the best interest of the municipality and no regular election occurs within 75 days. Clarifies that an initiative or referendum special election cannot be held within 60 days of certification to allow ample time for procedural work.

SB 98 FAST TRACK SUPPLEMENTAL APPROPRIATIONS/CBRF

Sponsor: Rules by Request Governor Murkowski

Appropriates \$854 million of general funds into a new public education fund established earlier this session by HB 158, which was signed into law April 4. The \$854 million includes \$400 million from the projected \$500 million Fiscal Year 05 surplus, \$440 million in FY 06 general funds and \$14 million lapsing from the FY 05 K-12 budget. The bill also provides about \$78 million in “Fast Track” general funds to cover needs for the current fiscal year. Also included: \$58.7 million in federal funds for roadway, airport and other transportation needs; \$5 million for computer network security needs; \$6 million

for infrastructure upgrades to Alaska's Land Mobile Radio system; \$79 million in federal and state funding for Medicaid caseload and cost increases.

SB 128 BOROUGH INCORPORATION

Sponsor: Senator Gene Therriault

Amends AS 44.33.812 to clarify that the Local Boundary Commission (LBC) is not mandated to force borough incorporation when the LBC considers a local government "boundary change."

SB 139 OCCUPATIONAL BDS/AGENCIES

Sponsor: Senator Gene Therriault

Extends the sunset date of the Board of Marital and Family Therapy from June 30, 2005 to June 30, 2010. Adds the following to the criteria that must be considered in the sunset review of Agencies, Boards and Commissions: the extent to which the agency, board or commission has effectively attained its objectives and the efficiency with which it has operated; the extent to which the board, commission or agency duplicates the activities of another governmental agency or the private sector. Changes the standard sunset period for boards or commissions scheduled to terminate under AS 44.66 or AS 08.03 from four years to eight years. Provides for the transfer of authority for regulatory boards that are terminated.

SB 143 STATE INFO SYSTEM PLAN: LEGISLATURE/UNIV

Sponsor: Senator Gene Therriault

Exempts the telecommunications operations of the legislature and University of Alaska from oversight by the executive branch. Clarifies that the executive director of the Legislative Affairs Agency, at the direction of Legislative Council, establishes information system guidelines for the legislature.

SB 144 EMISSION CONTROL PROGRAM PERMITS/REGS

Sponsor: Resources Committee

Amends current state statutes on air quality permitting for stationary sources to meet federal air quality requirements. SB 144 streamlines existing laws so the state can maintain primacy over air quality permitting in Alaska.

SCR 2 ROTARY INTERNATIONAL YEAR 2005

Sponsor: Senator Gary Stevens

Proclaims 2005 as Rotary International Year in Alaska.

SCR 14 LEG COMMITTEE ON LOCAL GOVERNMENT

Sponsor: Community & Regional Affairs

Establishes the Advisory Commission on Local Government consisting of three senators appointed by the senate president, three representatives appointed by the speaker of the house, and three public members appointed jointly by the senate president and speaker.

House Legislation

HB 42 JOSEPH C WILLIAMS, SR., COASTAL TRAIL

Sponsor: Representative Jim Elkins

Renames three miles of trail alongside the South Tongass Highway between Ketchikan and Saxman, Alaska the Joseph C. Williams, Sr. Coastal Trail. Mr. Williams was an

advocate for the construction of a trail alongside the South Tongass Highway between the cities of Ketchikan and Saxman. This legislation honors the memory of a highly respected member of the Native community in Southeast Alaska.

HB 97 OATHS; NOTARIES PUBLIC; STATE SEAL

Sponsor: Governor

Allows the Lieutenant Governor to: focus attention on web-based education for notaries, allow businesses which employ large groups of notaries to keep track of their terms of office, lay a foundation for e-signatures for the future, and continue to provide information to notaries without internet access. Sections 7-14 of the bill would repeal obsolete provisions in AS 44.50, update antiquated language, and add new provisions as needed.

HB 98 NONUNION PUBLIC EMPLOYEE SALARY & BENEFIT

Sponsor: Rules by request of the Governor

Revises the salary schedule for certain state officials, officers, and employees who are not covered by collective bargaining agreements to bring those salaries into line with employees in the supervisory bargaining unit. Additionally, this bill would provide for a two percent increase in fiscal years 2006 and 2007, to parallel the offer the state extended to bargaining units with similarly situated employees. This proposal would cover employees in the executive, legislative, and judicial branches of state government who are not covered by a collective bargaining agreement.

HB 121 ROAD SERVICE AREAS: SECOND CLASS BOROUGHES

Sponsor: Community & Regional Affairs

Allows boroughs to dissolve or consolidate service areas that are nonfunctional or are functioning below minimum standards and that pose a financial risk to the borough. HB 121 is written in such a way as to protect those service areas that are taxing themselves adequately and doing a good job in maintaining their roads to insure safe passage on them.

HB 178 SPECIAL REQUEST LICENSE PLATES

Sponsor: Representative Kurt Olson

Allows all motor vehicles subject to registration the opportunity to display the standard, "vanity" or a specialty plate offered by the DMV. Each additional plate sold will generate additional revenue for the State of Alaska.

HB 187 AMERADA HESS INCOME; CAPITAL INCOME FUND

Sponsor: Rules by Request of the Governor

Establishes the State of Alaska Capital Corporation. This entity would be a public corporation with the authority to issue bonds to finance up to \$350 million in state capital improvements, including the cost of issuing the bonds. The financing technique proposed in this bill would permit the state to leverage a funding source to obtain money for needed capital improvements from the sale of bonds on the major financial markets.

HB 215 PERM FUND CORP. INVESTMENTS/REGULATIONS

Sponsor: Representative Norman Rokeberg

Grants authority to the Trustees of the Board of the Alaska Permanent Fund Corporation to establish and administer a legal investment list in regulation. Several important restrictions will be maintained in statute, including the requirement that all investments

conform to the Prudent Investor Rule. HB 215 gives the PFD board more flexibility in investing.

HB 293 BOROUGH SALES TAX EXEMPTIONS

Sponsor: Community & Regional Affairs

Clarifies current statutory language to make it plain that a borough government may institute local tax exemptions and avoid the "stacking of taxes." Without this provision, cities within borough boundaries who chose to tax themselves may be subjected to "double taxation" should the borough decide to levy a borough wide tax. Under these circumstances, taxable entities may end up paying an 8% tax to the city and an additional 8% tax to the borough. This kind of double taxation severely affects the costs of doing business in those areas and goes against the public policy of Alaska.