

2016 CAPITOL CURRENTS

29th Alaska State Legislature ~ 2nd Session

Eighth Edition – 3/14 to 3/20/16

28 days to go!

~ **Operating Budget in limbo as Legislature sorts out how to fund it** ~

HIGHLIGHTS

Juneau’s Rep. Sam Kito III has been named House minority whip, succeeding the late Rep. Max Gruenberg.

And, newly appointed Rep. Ivy Spohnholz, was given her committee assignments - House Education, State Affairs, and the House Special Committee on Military and Veterans’ Affairs.

A joint session of the Legislature will be convened April 15th to consider the governor’s nominees for Boards and Commissions.

Rep. Adam Wool of Fairbanks cautioned that “We don’t want to crash the ship” during floor debate on the House operating budget.

The co-chair of Senate Finance has said on numerous occasions he’s heard few complaints and assumes previous cuts have not hurt agencies. Yet, the state’s largest public school district – Anchorage, is eliminating 49 teaching positions and increasing class sizes.

The University of Alaska has said it will reorganize its campuses and might have to cut more than 8 percent of the staff.

In a move not so common, the Speaker pulled **SB 89** from House Judiciary and instead referred it to the House Health & Social Services Committee. This bill would prohibit a school district from contracting with an abortion services provider.

The parents of a high-profile murder victim are continuing their activism at the Legislature this year, campaigning to defeat a gun bill allowing firearms on university campuses and toughen up a criminal justice reform package.

Butch and Cindy Moore, whose daughter Bree was **shot and killed** by her boyfriend in 2014, are urging lawmakers to stop the progress of **SB 174, SB 91 and SB 89**.

Alaska will get up to **\$170 million** for transportation projects from unused federal earmarks -- funding long ago allocated by Congress for specific projects that were either dropped or finished for less money than was allocated.

The Legislature would save \$7.5 million by moving to the state-owned Atwood Building in Anchorage instead of buying the existing, remodeled office space in the city, according to a new independent report.

Moving would cost \$24.2 million. Issuing bonds to buy their offices on Fourth Avenue at the landlords’ \$37 million asking price would produce a \$31.7 million total cost over a 20-year period.

The 20-year cost of keeping the Legislature's existing lease, meanwhile, is \$61.8 million, according to the report.

Stripped last year of most of her committee assignments and staff after voting against the budget, Rep. Lora Reinbold will face Crystal Kennedy in the primary. Ms. Kennedy served nine years on the Anchorage School Board.

BUDGET ISSUES

Co-chairs of the Senate Finance Committee have said they would rather spend down Alaska's big savings accounts than "get into the taxing business."

Likewise, Revenue Commissioner Randall Hoffbeck said he no longer believes a state income tax, one of the keystones of Gov. Walker's fiscal plan, will be implemented in 2016.

With time running out, Governor hopes they at least will tackle the Permanent Fund program revamp.

He may get his wish. SB 128 recently moved from the Senate State Affairs Committee and will be considered by Senate Finance this week. It restructures the \$52 billion Alaska Permanent Fund to help pay for state government.

No matter what plan wins, it will reduce residents' dividends in the process. The question will be: How much?

At 29 pages, **HB 247** isn't the fattest bill of the 29th Legislature, but about 20 hearings have been held so far with more coming.

This bill closes tax loopholes and reforms a subsidy program for the oil companies. It could mean hundreds of thousands of dollars for Alaska.

Led by Co-chair Anna MacKinnon, Senate Finance slashed the Commission of Aging in half. **SB 124** reduced staffing for the commission by two people, one each for the next two fiscal years.

Senator Dunleavy was quoted to say, "It's a process that will occur with every aspect of government because of our fiscal climate. It's got to happen."

Yet, employees have grown by leaps and bounds in the Legislature in the last 20 years under similar leadership.

EDUCATION ISSUES

A bill that would restrict abortion service providers, like Planned Parenthood, from teaching in public schools jumped its first hurdle. The Senate Education Committee voted 3-2, passing an amended version of **SB 191**.

"It seems to me there are a lot of protections in our current system. If a parent does not want their child to receive sex education classes, they can opt out. I think this is state overreach into school boards and into parents. I don't think it's a good bill," as Senator Gary Stevens was quoted.

The other no vote came from Sen. Berta Gardner. "I don't see what problem the bill is solving. If you don't want any talk of abortion in schools, just say so and be done with it."

HEALTH & SOCIAL SERVICES ISSUES

SB 74 the major Medicaid reform bill will be heard almost every day this next week in the House Finance Committee.

Senate Finance heard extensive public testimony on **SB 1**. This bill would prohibit smoking in bars, restaurants and public places across Alaska. Watch for it to pass out of committee as early as March 21st.

Opponents of the proposed ban said it would restrict personal and business freedom. They believe business owners have the right to make their own choices.

Its counterpart – **HB 328** - has hearings in House HSS on March 22 and 24th.

In 2012, the number of Alaska youth or children in foster care was 1,860. That number has skyrocketed to 2,929 this year according to the Office of Children's Services.

For all of those kids, there are only about 1,600 licensed foster homes statewide.

SB 55 has recently seen debate in Senate Labor & Commerce. One side wants to give more freedom to optometrists to perform certain eyes surgeries. The other side, ophthalmologists, insist standards will be lowered for medical and surgical care. The bill is not scheduled this week.

PUBLIC SAFETY ISSUES

SB 91 is a comprehensive criminal justice reform package that will increase public safety, reduce recidivism and is projected by proponents to save the state approximately \$400 million over the next ten years.

This bill incorporates the recommendations of the Alaska Criminal Justice Commission.

Marijuana legislation should move out of committee this next week. **HB 337** is about regulating the industry like alcohol, as intended in the 2014 initiative. House Labor & Commerce has heard this bill twice and will again March 21st.

It provides penalties for unlicensed growers and those growing too much, along with requirements for a surety or cash bond, and to keep records verifying wholesale prices for three years.

According to the Center for Disease Control, heroin and prescription opiates caused more than 47,000 overdose deaths in 2014, while the number of marijuana overdose deaths stayed steady at zero.

NATURAL RESOURCES

In a major reversal, the Obama administration indicated that it would bar oil drilling off America's Atlantic Coast.

However, for Alaska they announced a five-year offshore drilling plan that includes three future lease sales off the coast and six areas in state waters.

The plan by Interior Secretary Sally Jewell covers all potential federal offshore lease sales from 2017 through 2022. The public will have 90 days to comment.

GOVERNOR'S CORNER

<http://gov.alaska.gov>

Governor Walker signed SB 23 in front of a full house this past week. The bill is a life saving measure to help prevent opioid overdose and removes civil liabilities from doctors and trained bystanders who prescribe and administer naloxone.

Members of the House, Senate, and the public were in attendance for the signing event on a rare 2nd floor visit by the governor.

NEW DOCUMENTS

1. State Commission for Human Rights 2015 Annual Report

BILLS ON THE MOVE

~ Below are pertinent bills that had hearings or other action this past week ~

SENATE COMMITTEE OR FLOOR ACTION

SB 1 / Regulation of Smoking

http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB1

Version 29-LS0003\S - Heard and held Senate Finance on 3/14, 3/15, 3/18.

Note: Could be moved from Finance on 3/21.

SB 91 / Omnibus Criminal Law & Procedure; Corrections

http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB91

Version 29-LS0541\I - Heard/held Senate Judiciary on 3/16, 3/18.

Scheduled Senate Finance on 3/25 pending referral.

SB 124 / Extend Sunset on Alaska Commission on Aging (Floor vote!)

http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB124

Version 29-LS1235\A - Heard/held Senate Finance on 3/16 and 3/17. Moved from Finance on 3/18 with new fiscal note eliminating 1 staff in FY17 and 1 staff in FY18. Passed Senate 19-0 on 3/18.

SB 147 / Senior Benefits Program Eligibility

http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB147

Version 29-GS2770\W - Heard and held in Senate Finance on 3/15.

SB 191 / Limit Abortion Service Providers in Schools

http://www.akleg.gov/basis/get_complete_bill.asp?session=29&bill=SB191

Version 29-LS1269\W - Moved from Senate Education on 3/15. Referred to Senate Judiciary.

SCR 20 / Sexual Assault Awareness Month: April 2016 (Floor action!)

http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SCR20

Version 29-LS1519\A - Passed Senate 20-0 on 3/16. Referred to House State Affairs on 3/18.

HOUSE COMMITTEE OR FLOOR ACTION

HB 125 / Restrictions on Sale of Dextromethorphan (Floor action!)

http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB125

Version 29-LS0544\A - Passed House 32-3 on 3/16. Referred to Senate Labor & Commerce.

HB 234 / Insurance Coverage for Telemedicine

http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB234

Version 29-LS1251\A - Heard/held HSS 3/15. Moved from House HSS on 3/18. Referred to L&C.

HB 237 / Interstate Medical Licensure Compact

http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB237

Version 29-LS1100\A - Moved from House HSS on 3/17. Finance next referral.

HB 256 / FY17 Operating Budget

(Floor action!)

http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB256

Version 29-GH2740\U - Passed House on 3/10. Passed Senate 16-4 on 3/16. Transmitted to House as amended. Waiting on concurrence.

HB 257/ FY17 Mental Health Budget

(Floor action!)

http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB257

Version 29-GH2742\N - Passed House on 3/10. Passed Senate 20-0 on 3/16. Transmitted to House as amended. Waiting on concurrence.

HB 262 / Senior Benefits Program Eligibility

http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB262

Version 29-GH2770\W - Moved from House HSS on 3/15. Referred to Finance.

HB 337 / Marijuana Taxes; Excess Possession; Bonds

http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB337

Version 29-LS1490\W - Heard and held in House L&C on 3/16. Scheduled for 3/21.

HB 344 / Drug Prescription Database

http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB344

Version 29-LS1378\H - Heard and held House HSS on 3/15.

SB 53 / Advanced Practice Registered Nurses

http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB53

Version 29-LS0043\P - Heard/held House Finance on 3/16. Public testimony scheduled for 3/22.

SB 89 / Parent Rights: Education; School Absence

http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB89

Version 29-LS0735\F.A - Heard/held House Education on 3/14. House Judiciary referral removed with a House HSS referral added. Scheduled Education on 3/21.

SB 112 / Adoption of Child in State Custody

http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB112

Version 29-GS1262\N - Heard and held in Senate Judiciary on 3/16.

SB 180 / Parent-Guardian/Child: Temp. Power of Attorney (Floor action!)

http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB180

Version 29-LS1431\I - Passed Senate 20-0 on 3/16. Referred to House Judiciary.

COMMITTEE HEARINGS

Note: The Legislature is back on the 5-day rule for committee announcements.

MONDAY – March 21st

(HOUSE) EDUCATION Committee

8:00 AM Capitol Room 106

SB 89 / Schools; Parent Rights; Abortion Providers Limits

(HOUSE) JUDICIARY Committee

12:30 PM Gruenberg Room 120

HB 205 / Criminal Law/Procedure; Public Aid

(HOUSE) FINANCE Committee

1:30 PM H. Finance Room 519

SB 74 / Medicaid Reform

(HOUSE) LABOR & COMMERCE Committee

3:15 PM Barnes Room 124

HB 337 / Marijuana Taxes; Excess Possession; Bonds

TUESDAY – March 22nd

(HOUSE) STATE AFFAIRS Committee

8:00 AM Capitol Room 106

HB 275 / Indigenous Peoples Day

(SENATE) STATE AFFAIRS Committee

9:00 AM Butrovich Room 205

SB 150 / MVA Commissioner – Member of CDVSA

(HOUSE) FINANCE Committee

9:30 PM H. Finance Room 519

SB 53 / Advanced Practice Registered Nurses

(HOUSE) FINANCE Committee

1:30 PM H. Finance Room 519

SB 74 / Medicaid Reform

(HOUSE) HSS Committee

3:00 PM Capitol Room 106

HB 315 / Electronic Visit Verification: Medicaid

HB 334 / Child Custody; Domestic Violence; Child Abuse

HB 328 Regulation of Smoking

(SENATE) EDUCATION Committee

3:30 PM Butrovich Room 205

SB 200 / Mandatory Physical Activity in Schools

(HOUSE) JUDICIARY Committee

5:00 PM Gruenberg Room 120

HB 205 / Criminal Law/Procedure; Public Aid

WEDNESDAY – March 23rd

(HOUSE) JUDICIARY Committee

12:30 PM Gruenberg Room 120

HB 205 / Criminal Law/Procedure; Public Aid

(HOUSE) FINANCE Committee
1:30 PM H. Finance Room 519
SB 74 / Medicaid Reform

THURSDAY – March 24th

(HOUSE) STATE AFFAIRS Committee
8:00 AM Capitol Room 106
HB 324 / Violent Crimes Compensation Board Membership

(SENATE) FINANCE Committee
9:00 AM S. Finance Room 532
SB 91 / Omnibus Criminal Law and Procedure; Corrections

(HOUSE) FINANCE Committee
9:30 PM H. Finance Room 519
HB 231/ Extend Board of Parole

(SENATE) LABOR & COMMERCE Committee
1:30 PM Beltz Room 105
**Consideration of Governor's Appointees:
Board of Nursing - Board of Social Work Examiners**

(HOUSE) FINANCE Committee
1:30 PM H. Finance Room 519
SB 74 / Medicaid Reform

(HOUSE) HSS Committee
3:00 PM Capitol Room 106
**HB 315 / Electronic Visit Verification: Medicaid
HB 334 / Child Custody; Domestic Violence; Child Abuse
HB 328 Regulation of Smoking**

(SENATE) EDUCATION Committee
3:30 PM Butrovich Room 205
Confirmation Hearings: Board of Education & Early Development

FRIDAY – March 25th

(SENATE) FINANCE Committee
9:00 AM S. Finance Room 532
SB 91 / Omnibus Criminal Law and Procedure; Corrections

(HOUSE) JUDICIARY Committee
1:00 PM Gruenberg Room 120
HJR 29 / Call Federal Constitutional Convention: Term Limits <Public/Invited Testimony

~ End of Report ~

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