

# 2016 CAPITOL CURRENTS

29<sup>th</sup> Alaska State Legislature ~ 2<sup>nd</sup> Session

Ninth Edition – 3/21 to 3/27/16

21 days to go! - Maybe

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

## HIGHLIGHTS

In a letter to legislators this past week, the governor issued a blunt demand – pass a sustainable budget that uses a “broad-based tax,” budget cuts and earnings from the Permanent Fund or find yourselves back in a special session.

If the Alaska Legislature goes into special session this year, Senator Stoltze from Chugiak is again promoting the idea of meeting on the road system. Senate Concurrent Resolution 16, urges the governor to hold any special session in the Railbelt.

The campaign of Democratic presidential hopeful Bernie Sanders opened an office in Juneau. A few days later he won Alaska’s Democratic caucuses in a landslide, pulling in nearly 81 percent of the vote around the state and winning all 40 districts by double-digit margins.

**HB 154** has passed the House. It would create a stable state funding mechanism for the Alaska Legal Services Corporation. At the Legislature’s discretion, up to 25-percent of filing fees paid annually to the Alaska Court System could be deposited into the Civil Legal Services Fund.

## **BUDGET ISSUES**

Comments like the “public isn’t feeling the pinch and we need to cut more fat” are counter-productive. Words do matter and can sometimes harm as in a schoolyard bully – they can drag down people’s expectations, *say economists*.

Alaska’s already massive budget deficit has jumped another \$300 million thanks to low oil prices. The revised revenue forecast means the expected deficit for the state’s \$5.4 billion budget is now \$4.1 billion. In other words, current revenue can cover only about **25 percent** of the existing budget.

While some legislators aren’t interested in raising or creating taxes at this point, others are saying everything needs to be on the table.

This conversation is taking place as legislators continue the debate on how to restructure the Alaska Permanent Fund.

Some legislators are also worried that a change in the Dividend program would hurt rural Alaska and want a balanced approach.

According to the Office of Management and Budget, state agencies employed 587 fewer employees than a year earlier. Those are real pink slips, not just empty chairs left vacant.

If you add temporary workers, Alaska Railroad employees, and the university the number more than doubles.

## EDUCATION ISSUES

During the current session, 360 8th graders had an opportunity to learn how state government operates during Capitol Visits, thanks to a Civics Education Initiative sponsored by the League of Women Voters.

SB 89 passed out of the House Education Committee on a 4-3 vote. It is now in the house HESS Committee. This legislation allow parents to withdraw children from any activity, class or program, or standards-based or state-required tests.

Another main component prohibits school districts from contracting with an abortion services provider, like Planned Parenthood, and restricts an abortion services provider from teaching or providing teaching material on human sexuality or sexually transmitted diseases.

Sen. Dunleavy recently confirmed that he hasn't been to any Planned Parenthood classroom presentations on sex education. He was relying on 'he said – she said stories.'

## PUBLIC SAFETY ISSUES

Alaska's 54 public school districts are preparing to implement programs next year aimed at preventing dating violence and sex abuse.

A task force working to create a model curriculum for the Safe Children's Act (Erin's Law and Bree's Law) will present its recommendations for a sexual awareness and prevention bill that passed in 2015 and will take effect June 30, 2017

## NATURAL RESOURCES

The U.S. Supreme Court unanimously threw out a lower court ruling that upheld enforcement of National Park Service rules banning the use of hovercraft on the Nation River when it runs through the Yukon-Charley Rivers National Preserve.

This is known as the *John Sturgeon* case.

The House unanimously passed **HB 216** to clarify state laws governing use of state navigable waters to better protects an individual's rights and remove ambiguity over federal encroachment.

The bill adds certain activities to the list of those deemed a "useful public purpose" consistent with the needs of Alaskans using state submerged lands, referred to as navigable waters.

Similar to Sturgeon it's trying to better define state law and draw a bright line over the State's supremacy in areas under the federal Submerged Lands Act.

The administration says it plans to seek legislative approval to sell a large chunk of its royalty crude oil to Tesoro Alaska under a five-year contract. The contract would allow the state to sell the state's only gasoline refiner up to 25,000 barrels of oil daily. Sales would begin as early as August 1<sup>st</sup>.

The proposed sale will earn \$45 million to \$56 million in extra revenue for the state during the life of the contract, compared to the other option of letting the large oil producers sell that oil and pay cash to the state, according to a statement from DNR.

The governor's proposed fish tax increase has drawn attention to a loophole giving a discount of as much as \$1.4 million a year to some of the big Washington-based factory trawlers that fish off Alaska's coast.

Price estimates used by the state to assess existing taxes on 300 million pounds of yellowfin sole are less than one-sixth of the true prices upon which the taxes are supposed to be based, according to officials at the state fish and game department.

## **GOVERNOR'S CORNER**

<http://gov.alaska.gov>

Governor Bill Walker ordered all Alaska state flags to be lowered in honor of the victims of the attacks in Brussels, Belgium.

### **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](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB1)

Version 29-LS0003U - Moved from Finance on 3/21. Referred to Rules.

#### **SB 88 / Teachers and Public Employee Retirement Plans (TRS and PERS)**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=SB88](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB88)

Version 29-LS0337A - Heard and held in Senate C&RA on 3/24.

#### **SB 91 / Omnibus Criminal Law & Procedure; Corrections**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=SB91](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB91)

Version 29-LS0541S - Moved from Senate Judiciary on 3/23.

Scheduled Senate Finance on 3/28, 3/29, 3/30, 3/31, 4/1, and 4/2

#### **SB 150 / MVA Commissioner – Member of CDVSA**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=SB150](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB150)

Version 29-GS2797A - Heard and held in Senate State Affairs on 3/22.

#### **SB 165 / Alcoholic Beverage Control Board; Minors; Alcohol**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=SB165](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB165)

Version 29-LS1384W - Scheduled in Senate Judiciary on 3/28.

#### **HB 205 / Criminal Law/Procedure; Public Aid**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HB205](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB205)

Version 29-LS0896A - Heard/held House Judiciary on 3/18, 3/21, 3/22, and 3/23. Scheduled 3/28.

#### **HB 237 / Interstate Medical Licensure Compact**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HB237](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB237)

Version 29-LS1100A - Moved from House HSS on 3/17. Scheduled House Finance on 4/2.

#### **HB 275 / Indigenous Peoples Day**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HB275](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB275)

Version 29-LS1333W - Moved from House State Affairs on 3/22. Referred to Rules.

#### **HB 280 / Teachers and Public Employee Retirement Plans (TRS and PERS)**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HB280](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB280)

Version 29-LS0152E - Moved from House State Affairs on 3/24. Referred to Labor & Commerce.

#### **HB 315 / Electronic Visit Verification: Medicaid**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HB315](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB315)

Version 29-LS1287A - Heard and held in House HSS on 3/22 and 3/24.

**HB 324 / Violent Crimes Compensation Board Membership**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HB324](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB324)

Version 29-LS1479\W - Moved from House State Affairs on 3/24. Referred to Rules.

**HB 328 / Regulation of Smoking**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HB328](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB328)

Version 29-LS1502\A - Heard and held in House HSS on 3/22 and 3/24.

**HB 334 / Child Custody; Domestic Violence; Child Abuse**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HB334](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB334)

Version 29-LS1409\H - Heard and held In House HSS on 3/22. Scheduled for 3/29.

**HB 344 / Drug Prescription Database**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HB344](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB344)

Version 29-LS1378\H - Moved from House HSS on 3/24.

**HJR 29 / Call Federal Constitutional Convention: Term Limits**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HJR29](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HJR29)

Version 29-LS1322\A - Scheduled in House Judiciary on 4/1 with public and invited testimony.

**HCR 27 / Amend Uniform Rules; Deadline for Introduction**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HCR27](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HCR27)

Version 29-LS1540\A - Referred to House Rules.

**SB 53 / Advanced Practice Registered Nurses**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=SB53](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB53)

Version 29-LS0043\P - Moved from House Finance on 3/22. Referred to Rules.

**SB 74 / Medicaid Reform/PFD/HSAS/ER Use/Studies**

[http://www.akleg.gov/basis/get\\_complete\\_bill.asp?session=29&bill=SB74](http://www.akleg.gov/basis/get_complete_bill.asp?session=29&bill=SB74)

Version 29-LS0692\U.A - Scheduled House Finance on 3/28, 3/29 with public testimony, and 3/30.

**SB 89 / Parent Rights: Education; School Absence**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=SB89](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB89)

Version 29-LS0735\L - Moved from House Education on 3/23. Referred to House HSS.

**SB 112 / Adoption of Child in State Custody**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=SB112](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB112)

Version 29-GS1262\N - Scheduled in Senate Judiciary on 3/28.

**SB 124 / Extend Sunset on Alaska Commission on Aging**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=SB124](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB124)

Version 29-LS1235\A - Passed Senate 19-0 on 3/18. Scheduled for House Finance on 3/30.

**COMMITTEE HEARINGS**

**MONDAY – March 28**

(HOUSE) EDUCATION Committee

8:00 AM Capitol Room 106

**HB 298 / Layoff of Tenured Teachers**

**HB 357 / Board of Education and Board of Regents Members**

(HOUSE) JUDICIARY Committee  
1:00 PM Gruenberg Room 120  
**HB 205 / Criminal Law/Procedure; Public Aid**

(SENATE) FINANCE Committee  
1:00 PM S. Finance Room 532  
**SB 91 / Omnibus Criminal Law and Procedure**

(SENATE) JUDICIARY Committee  
1:30 PM Beltz Room 105 (TSBldg)  
**SB 8 / Industrial Hemp Production Licenses**  
**SB 165 / Alcoholic Beverage Control Board; Minors; Alcohol**  
**SB 112 / Adoption of Child in State Custody**

(HOUSE) FINANCE Committee  
1:30 PM H. Finance Room 519  
**SB 74 / Medicaid Reform - Behavioral Health – Federal Overview, Waivers, & Options**

(HOUSE) LABOR & COMMERCE Committee  
3:15 PM Barnes Room 124  
**HB 308 / Child Safety Seat Installation Liability**

**TUESDAY – March 29**

(HOUSE) STATE AFFAIRS Committee  
8:00 AM Capitol Room 106  
**HB 368 / RIP Public Employees and Teachers/E-Reports**

(HOUSE) FINANCE Committee  
8:30 AM H. Finance Room 519  
**SB 74 / Medicaid Reform –**  
**Assessment of Medicaid Reform Options Report,**  
**Menges Group,**  
**Medicaid Redesign Expansion Technical Assistant Report,**  
**Agnew/Beck Health Management Association.**

(SENATE) STATE AFFAIRS Committee  
9:00 AM Butrovich Room 205  
**SJR 12 / Constitutional Amendment: Elected Attorney General**

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

(SENATE) FINANCE Committee  
1:00 PM S. Finance Room 532  
<The following bills are pending introduction and referral>  
**PERS Contribution/TRS Contribution Community Assistance**

(HOUSE) FINANCE Committee  
1:30 PM H. Finance Room 519  
**SB 74 / Medicaid Reform**  
**Medicaid Reform: Telemedicine & Prescription Drug Database**

(HOUSE) HSS Committee  
3:00 PM Capitol Room 106  
**HB 200 / Adoption of Child in State Custody**  
**HB 334 / Child Custody; Domestic Violence; Child Abuse**

(HOUSE) FINANCE Committee  
5:00 PM H. Finance Room 519  
**SB 74 / Medicaid Reform**

(HOUSE) HSS Committee  
6:00 PM Capitol Room 106  
**HB 200 / Adoption of Child in State Custody**

**WEDNESDAY – March 30**

(HOUSE) JUDICIARY Committee  
1:00 PM Gruenberg Room 120  
**HB 236 / Right to Refuse to Solemnize Marriage**

(HOUSE) FINANCE Committee  
1:30 PM H. Finance Room 519  
**SB 74 / Medicaid Reform – Telemedicine – Prescription Drug Database**

(SENATE) HSS Committee  
1:30 PM Butrovich Room 205  
**SB 113 / New Drugs for the Terminally Ill**  
**SB 156 / Insurance Coverage for Contraceptives**  
**SB 179 / Ban Late Term Abortion; Child Surrender**

**THURSDAY – March 31**

(HOUSE) STATE AFFAIRS Committee  
8:00 AM Capitol Room 106  
**HJR 30 / Post-Traumatic Stress Injury**  
**HB 269 / MVA Commissioner Member of CDVSA**

(HOUSE) FINANCE Committee  
8:30 PM H. Finance Room 519  
**SB 124/ Extend Sunset on Alaska Commission of Aging**

(SENATE) FINANCE Committee  
1:00 PM S. Finance Room 532  
**SB 91 / Omnibus Criminal Law and Procedure; Corrections**

(SENATE) LABOR & COMMERCE Committee  
1:30 PM Beltz Room 105  
**SB 201/ Pharmacy Board and Employees; Drug Distributor/Manufacturer**  
**SB 175 / Pharmacy Benefits Managers**

(HOUSE) HSS Committee  
3:00 PM Capitol Room 106  
**HB 200 / Adoption of Child in State Custody**

**FRIDAY – April 1**

(SENATE) FINANCE Committee

8:00 AM S. Finance Room 532

**SB 91 / Omnibus Criminal Law and Procedure; Corrections**

(SENATE) FINANCE Committee

1:00 PM 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>

**SATURDAY – April 2**

(HOUSE) FINANCE Committee

10:00 AM H. Finance Room 519

**HB 237 / Interstate Medical Licensure Compact**

(SENATE) FINANCE Committee

10:00 AM S. Finance Room 532

**SB 91 / Omnibus Criminal Law and Procedure; Corrections**

(HOUSE) HSS Committee

12:15 PM Capitol Room 106

**Presentations:**

- “ACE’s by Dr. Matthew Hirschfeld

- Citizen Review Panel

**HCR 21 / Respond to Adverse Childhood Experiences**

**Website – Daily Committee Hearings**

March 28 – April 3, 2016

[http://www.legis.state.ak.us/basis/get\\_hearing.asp?session=29&Chamb=B&Date1=03%2F28%2F2016&Date2=04%2F03%2F2016&Comty=&Root=&Sel=1&Button=Display](http://www.legis.state.ak.us/basis/get_hearing.asp?session=29&Chamb=B&Date1=03%2F28%2F2016&Date2=04%2F03%2F2016&Comty=&Root=&Sel=1&Button=Display)

**~ End of Report ~**

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