

TRIP REPORT

Traveler Name: Shari Coleman

Department: City Council

Dates Traveled: 19 - 21 February 2019

Destination: Juneau, Alaska

PURPOSE OF TRIP:

Alaska Municipal League
Winter Legislative Conference

NARRATIVE:

The focal point for this session was to address the governor's proposed budget for FY20. Nils Andreassen (AML Executive Director) gave an overview of the seemingly arbitrary cuts and what really amounts to a cost-shifting strategy, where municipalities have to bear the brunt of state spending. Rural communities are likely to see a significant reduction in state services and/or revenue. All of this in order to restore the PFD to full payout. Cuts are not viewed as a reduction of state government, but as an elimination of the support given to communities, of whom will ultimately carry the cost of government spending.

Removal of programs will significantly affect communities around the state, particularly the rural areas. These include community assistance, school bond debt reimbursement, petroleum property tax, fisheries business and resource landing tax, education BSA, repeal of HB528 (port and harbor projects), University of Alaska, health spending, Alaska Marine Highway, and power cost equalization (PCE). Unalaska could see up to \$9.6 million in cuts, with nearly \$8 million in fisheries tax alone.

AML officers meet with Governor Dunleavy and invited him to address the members so he could advocate for his proposed budget and help explain his plan. Dunleavy declined to speak with AML members, but did send policy analyst Mike Barnhill from the Office of Management and Budget. Barnhill gave little introspection into the budget negotiations, only to reverberate Dunleavy's comment that he will not research any new revenue sources, and that if legislation "takes something off the table, they will have to find something to replace it".

Senators Lisa Murkowski and Dan Sullivan made personal appearances to address topics of national importance to the State. Murkowski spoke about the government shutdown and how she is working to limit/prohibit this action. Sullivan spoke about health standards. Anchorage Mayor Ethan Berkowitz was also present and spoke about the atrocity of the governor's budget. Speaker Edgmon and Representative Wilson came down from the Hill for questions and state of affairs, as the House had just been organized.

Other topics included the community deatabase online, a geographic resource database; public safety as a state priority; public education, a study in the importance of 'growing our own' and how that promotes teacher stability and longetivity. An overview was given about how the base student allocation (BSA) is determined.

Finally, AML put together a list of budget issues in which to lobby: limited distribution of the PFD, and supporting broad-based tax as a revenue source.

Council Member Robinson and I personally visited with Senator Hoffman, Speaker Edgmon, Representative Thompson and Senator Olson. We briefly addressed our city's legislative priorities, but focused mostly on the governor's proposed budget and its negative impact on our community.