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City of Unalaska Legislative Report **3/6/23**

The Senate Majority rolled out its new public employee pension bill last Wednesday. **SB 88** is sponsored by Senator Giessel and has nine cosponsors. The bill basically restores a Defined Benefit pension for public employees. The new bill requires employees to contribute more (8 percent of pay in the first year) than under the current Defined Contributions, or 401(k)-type plan. Also, medical benefits for active and retired employees are similar to current benefits and that are not particularly generous. These provisions were included by the sponsors to allay fears that restoration of Defined Benefits would increase long-term liability.

The Federal decision on Willow oil project is expected this week from the Department of Interior. There has been a full court press in DC over the last few weeks in support of the project.

The governor's suite of carbon-related legislation (also called carbon capture, utilization and storage) continues its progress through the legislature. After several hearings in House Resources last week, it is likely that HB 50 (carbon storage) will move out of that committee this week. On the senate side, hearings on the subject begin in the Resources Committee, where agency representatives and experts will be on the receiving end of many questions related to the proposed program.

The House Ways and Means committee is scheduled to discuss the various legislation designed to establish a more forceful state spending cap. Members will hear more about HJR 2, which calls for a constitutional amendment to limit spending, and HB 38, which sets an appropriation limit.

The Alaska state legislature has taken an important step to protect the state's fisheries and support the trolling industry, passing House Joint Resolution 5 with unanimous support from both the majority and minority caucuses. The resolution urges the United States Secretary of Commerce and other state and federal agencies to defend Alaska's fisheries, which are critical to the region's economy and support a wide variety of fishing industry-related jobs.

Sources in the capitol say Governor Dunleavy will introduce new education bills this week including funding measures. It's not yet known what the proposals are but there is speculation that an adjustment to the Base Student Allocation (BSA) may be included,



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but one tied to some form of performance measure. The BSA allocation hasn't been adjusted since 2017. A link to performance has been a big part of the conversation.

Have a great week and stay warm out there.

Upcoming Schedule

Description	Date, Time & Location
ADAMS 519 -HOUSE FINANCE *+ HB79 APPROP: SUPPLEMENTAL TELECONFERENCED + Overview: FY 2023 Governor's Supplementalby TELECONFERENCED Neil Steininger, Director, Office of Management & Budget + Bills Previously Heard/Scheduled TELECONFERENCED	Tue 3/7/23 1:30 PM
GRUENBERG 120 -HOUSE STATE AFFAIRS + HB22 PEACE OFFICER/FIREFIGHTER RETIRE BENEFITS TELECONFERENCED + Bills Previously Heard/Scheduled TELECONFERENCED	Tue 3/7/23 3:00 PM
SENATE FINANCE 532 -SENATE FINANCE Presentation: Comparing Retention Data Between Defined Benefit and Defined Contribution Employees by Alexei Painter, Director Division of Legislative Finance + Bills Previously Heard/Scheduled TELECONFERENCED	Thu 3/9/23 9:00 AM
SENATE FINANCE 532 -SENATE FINANCE Presentation: Power Cost Equalization Endowment Fund Performance by Department of Revenue + Bills Previously Heard/Scheduled TELECONFERENCED	Fri 3/10/23 9:00 AM

Bill	Title	Prime Sponsor	Status & Upcoming Hearings	Position
HB 18	Fishery Development Assoc.; Assessments	STUTES	(H) REFERRED TO FISHERIES (1/19)	

The state would help create nonprofit regional fishing cooperatives intended to develop new fisheries in the state. These would be funded by fees paid by fishermen in the area.

HB 21	School/university Employee Health Insur	VANCE	(H) REFERRED TO EDUCATION (1/27)	
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Local governments and school districts would be able to join the state's health insurance program.

HB 22	Peace Officer/firefighter Retire Benefits	JOSEPH-SON	(H) STATE AFFAIRS at 03:00 PM GRUENBERG 120 (3/7) 03/07/23 3:00 PM in GRUENBERG 120	
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The state would create a pension program for police and firefighters.

HB 54	Approp: Supplemental; Reapprop; Amending	RULES	(H) REFERRED TO FINANCE (2/1)	
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HB 63	Repeal Workers' Comp Appeals Commission	RAUSCHER	(H) Heard & Held (3/3)	
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House Bill 63 is suggested to save \$433,000 per year by repealing the Alaska Workers' Compensation Appeals Commission. HB 63 will return jurisdiction over appeals of Workers' Compensation Board decisions to the Superior Court. Currently the Appeals Commission handles these cases, and their decisions can be appealed to the Supreme Court.

HB 69	Reclassification Of First Class Cities	CRONK	(H) Heard & Held -- Teleconference <Listen Only> -- (3/1)	
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1. Notwithstanding AS 29.04.040, a first class city with a population of less than 400 persons based on the most recent decennial census conducted by the United States Bureau of the Census may be reclassified as a second class city if the council submits a written request to the Local Boundary Commission.

HB 70	Municipal Property Tax Exemptions	TO-MASZEWSKI	(H) REFERRED TO COMMUNITY & REGIONAL AFFAIRS (2/13)	
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This bill would include the following to the properties exempt from general taxation:

(11) a parking lot owned by an organization incorporated under state law that is exempt from taxation and used for parking or another use as long as the parking or other use is permitted without charge;

(12) real and personal property of a store operated by an organization incorporated under state law that is exempt from taxation under 26 U.S.C. 501(c) if the store deals exclusively in donated inventory that is distributed without cost as part of a program to provide needy persons with food, shelter, clothing, or health care without charge or sells merchandise below market value to



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support a literacy program or a program to provide needy persons with food, shelter, clothing, or health care without charge.

HB 74	Geothermal Resources	RULES	(H) ENERGY at 10:15 AM BARNES 124 (3/7) 03/07/23 10:15 AM in BARNES 124	
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This bill removes obstacles for exploration and development of Alaska's geothermal resources. The bill updates the definition of "geothermal resources" to allow for modern uses. The bill also increases the time available for exploration from three years to five years.

HB 79	Approp: Supplemental	RULES	(H) FINANCE at 01:30 PM ADAMS 519 (3/7) 03/07/23 1:30 PM in AD-AMS 519	
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HJR 5	Alaska Fisheries; Troll Fisheries	HIM-SHOOT	(S) REFERRED TO RE-SOURCES (3/6)	
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SB 14	Rip For Public Employees/teachers	KAWA-SAKI	(S) REFERRED TO LABOR & COMMERCE (2/22)	
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School districts would be able to create incentive programs to encourage employees to retire early in order to cut staff.

SB 35	Peace Officer/firefighter Retire Benefits	KAWA-SAKI	(S) REFERRED TO LABOR & COMMERCE (1/18)	
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The state would create a pension program for police and firefighters.

SB 39	Disclosure Of Wage Information	DUNBAR	(S) REFERRED TO LABOR & COMMERCE (1/18)	
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An employer would be required to post the wage, salary or salary range of a job when they advertise a vacancy and seek to hire someone.

SB 69	Geothermal Resources	RULES	(S) REFERRED TO RE-SOURCES (2/15)	
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SB 77	Muni Prop Tax Exemption/tax Blighted Prop	DUNBAR	(S) REFERRED TO COMMUNITY & REGIONAL AFFAIRS (2/22)	
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SB 79	Reclassification Of First Class Cities	BISHOP	(S) REFERRED TO COMMUNITY & REGIONAL AFFAIRS (2/24)	
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SB 88	Retirement Systems; Defined Benefit Opt.	GIESSEL	(S) REFERRED TO LABOR & COMMERCE (3/1)	
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