

Dianne Blumer

Lobbying and Governmental Affairs

MEMORANDUM

To: Vince Tutiakoff, Mayor
Erin Reinders, City Manager

RE: Legislative Report

Date: March 15, 2020

Overview:

It really was Friday the 13th ...or maybe all week!

The Governor declared a state of emergency on Wednesday, March 11th, both the House and Senate voted to amend the Mental Health Budget (HB206) to include \$4 million in state funds and \$9 million in federal receipt authority in order to get the infrastructure in place to mitigate the spread of the Coronavirus when it hits Alaska.

On Friday the Alaska State Capital building was closed to the public to limit exposure of the virus, the President declared a national emergency, the price of oil hovered around \$35 per barrel, the stock market hit record lows, the cruise industry announced delays to the cruise ship season and a statewide public-school closure was mandated until, at least, March 30th.

The school closure has many employers and employees scrambling to find other alternatives for childcare. The childcare issue is particularly concerning for those that work in the health care industry.

The State capital will remain closed to the public as long as the virus remains a threat. This means that only lawmakers, employees of the legislature, members of the governor's administration, and credentialed journalists will be permitted into the building. All testimony will need be written or telephonic.

Also, on Friday, Representative Gabrielle LeDoux (Anchorage) was charged with voter misconduct and unlawful interference with voting in the primary and general elections for 2018 and 2014. Her former chief of staff also received similar charges.

If I had to predict the next several weeks, I would venture to guess that the legislature would pass a flat line budget, minus the Permanent Fund Dividend (PFD), and take a recess until the

pandemic surrounding the coronavirus plays out. Then call themselves back to address the PFD. But this really is just my guess!

The legislature's financial analysts provided updates Wednesday on the state's revenue outlooks. The presentation revised revenue estimates based on the plummeting oil prices suggesting that \$40 per barrel would be more accurate than the \$59 per barrel used in the fall forecast. The impact of this new assumption is about \$550 million and that is just the oil market, not factoring in other tax changes due to the coronavirus including interest earned on our permanent fund savings, corporate income tax from the tourism industry, potential impacts to the seafood industry and others to be examined. Overall, they estimated that the deficit in the states budget could grow by more than \$600 million in the upcoming fiscal year beginning July 1st.

The time may truly be ripe for folks to start talking about some form of new revenues.

Several hearings were held in House Finance on the permanent fund restructuring bills, **HB 300 & HB 306**, including public testimony it continues to be very clear that we do not have a consensus on how the PFD should be restructured, including those who think it should not be changed at all. The hearings for these bills on Friday were canceled and at this point they are not on the schedule for the upcoming week.

SB 115- the motor fuel tax passed out of House Transportation on Thursday with an amendment that would exempt commercial fisherman from the \$.05 increase on marine fuel tax. It does not appear that all parties are in agreement with an exemption for one industry over another. The bill is scheduled to be heard in House Finance on Friday, March 20th.

Weekly Schedule:

(H)FINANCE	Standing Committee*
Mar 16 Monday 1:30 PM	ADAMS 519
+= HB 235	AK WORKFORCE INVESTMENT BOARD:ALLOCATIONS
	-- Public Testimony --
+	Bills Previously Heard/Scheduled
(S)EDUCATION	Standing Committee*
Mar 17 Tuesday 9:00 AM	BUTROVICH 205
+= SB 149	HIGH SCHOOL START TIME
	-- Public Testimony <Time Limit May Be Set> --
	Streamed live on AKL.tv
+	Bills Previously Heard/Scheduled
(H)TRANSPORTATION	Standing Committee*
Mar 17 Tuesday 1:00 PM	BARNES 124
+= HB 273	ABANDONED VEHICLES; PRIVATE PROPERTY
	-- Public Testimony --

(H)FINANCE	Standing Committee*
Mar 17 Tuesday 1:30 PM	ADAMS 519
+ = HB 79	PEACE OFFICER/FIREFIGHTER RETIRE BENEFITS
+ = HB 268	MUNI BOND BANK: UA, LOAN AND BOND LIMITS
+	Bills Previously Heard/Scheduled
(H)STATE AFFAIRS	Standing Committee*
Mar 17 Tuesday 3:00 PM	GRUENBERG 120
+ = HJR 31	CONST AM: PERMANENT FUND; POMV; EARNINGS
	-- Public Testimony --
+ HB 253	SALE, TRANSFER, OR DISPOSAL OF FERRIES
*+ HB 274	PROPERTY INSUR. SURCHARGE; FIRE STDRS
+ = HB 190	PFD ALLOWABLE ABSENCES
	-- Public Testimony --
+	Bills Previously Heard/Scheduled
(S)COMMUNITY & REGIONAL AFFAIRS	Standing Committee*
Mar 17 Tuesday 3:30 PM	BELTZ 105 (TSBldg)
+ = SB 218	ROAD SERVICE AREA CONSOLIDATION
*+ HB 142	NATIVE ORGANIZATIONS TANF PROGRAM
	-- Public Testimony --
*+ HB 232	MUNICIPAL TAX CREDITS
	<Pending Referral>
	-- Public Testimony --
+	Bills Previously Heard/Scheduled
(S)TRANSPORTATION & PUBLIC FACILITIES	Finance SubCommittee*
Mar 18 Wednesday 7:30 AM	SENATE FINANCE 532
+	Alaska Marine Highway System
(S)FINANCE	Standing Committee*
Mar 18 Wednesday 9:00 AM	SENATE FINANCE 532
*+ HB 205	APPROP: OPERATING BUDGET/LOANS/FUNDS
	-- Public Testimony <Time Limit May Be Set> --
+ = SB 154	APPROP: CAPITAL; SUPP; OTHER APPROP.
	-- Public Testimony <Time Limit May Be Set> --
	- Juneau, Fairbanks, Unalaska, Nome, Bethel, Kotzebue, Utqiagvik, Tok, Delta Junction:
	Sign Up by 10:15 a.m.

**Please Note: All Public Testimony Will be via Telephone Only. No In-Person Testimony.
 From Juneau: 586-9085, Anchorage: 563-9085
 Outside Juneau or Anchorage: 844-586-9085
 Written Testimony Will be Accepted at:
 finance.committee@akleg.gov

(S)FINANCE

Mar 18 Wednesday 1:00 PM

+ = [HB 205](#)

+ = [SB 154](#)

+

Standing Committee*

SENATE FINANCE 532

APPROP: OPERATING BUDGET/LOANS/FUNDS

-- Public Testimony <Time Limit May Be Set> --

APPROP: CAPITAL; SUPP; OTHER APPROP.

-- Public Testimony <Time Limit May Be Set> --

- Anchorage, Mat-Su, Offnets:

Sign Up by 2:30 p.m.

**Please Note: All Public Testimony Will be via Telephone Only. No In-Person Testimony.

From Juneau: 586-9085, Anchorage: 563-9085

Outside Juneau or Anchorage: 844-586-9085

Written Testimony Will be Accepted at:

finance.committee@akleg.gov

Bills Previously Heard/Scheduled

(S)FINANCE

Mar 19 Thursday 9:00 AM

+ = [HB 205](#)

+ = [SB 154](#)

+

Standing Committee*

SENATE FINANCE 532

APPROP: OPERATING BUDGET/LOANS/FUNDS

-- Public Testimony <Time Limit May Be Set> --

APPROP: CAPITAL; SUPP; OTHER APPROP.

-- Public Testimony <Time Limit May Be Set> --

Ketchikan, Wrangell, Petersburg, Sitka, Kenai,
 Kodiak, Seward, Valdez, Homer, Cordova:

Sign Up by 10:15 a.m.

**Please Note: All Public Testimony Will be via Telephone Only. No In-Person Testimony.

From Juneau: 586-9085, Anchorage: 563-9085

Outside Juneau or Anchorage: 844-586-9085

Written Testimony Will be Accepted at:

finance.committee@akleg.gov

Bills Previously Heard/Scheduled

(H)STATE AFFAIRS

Standing Committee*

Mar 19 Thursday 3:00 PM	GRUENBERG 120
+ = HB 253	SALE, TRANSFER, OR DISPOSAL OF FERRIES
	-- Public Testimony --
+ = HB 274	PROPERTY INSUR. SURCHARGE; FIRE STDRS
	-- Public Testimony --
+	Consideration of Governor's Appointees:
	- State Commission for Human Rights
	- Alaska Public Offices Commission
	- Personnel Board
	- State Board of Parole
	- Alaska Police Standards Council
+	Bills Previously Heard/Scheduled
(H)FINANCE	Standing Committee*
Mar 20 Friday 9:00 AM	ADAMS 519
+ = HB 102	RENTAL VEHICLE BY PRIVATE OWNER
+ SB 115	MOTOR FUEL TAX; EV REG. FEE
+	Bills Previously Heard/Scheduled
(H)FINANCE	Standing Committee*
Mar 20 Friday 1:30 PM	ADAMS 519
*+ HB 207	APPROP: CAPITAL; SUPP; OTHER APPROP.
+	Bills Previously Heard/Scheduled

Here is the link to more information about the committee hearings, at this time of year it is good to check daily if you are watching a hearing as they change frequently.

<http://w3.legis.state.ak.us/index.php?tab2=type%3DAll%26com%3D%26startDate%3D04%2F22%2F2019%26endDate%3D04%2F27%2F2019%26chamber%3D#tab2>

Bills of Interest:

BILL	SHORT TITLE	PRIME SPONSOR(s)	CURRENT STATUS	STATUS	DATE
HB 6	DISPLAY OF STATE AND NATIONAL MOTTOS	RAUSCHER	(H) STA		02/20/19
HB 7	SEX EDUCATION	RAUSCHER	(H) EDC		02/20/19
HB 11	PEACE OFFICER RETIREMENT BENEFITS	RAUSCHER	(H) L&C		02/20/19

<u>HB 17</u>	REPEAL CERTIFICATE OF NEED PROGRAM	RAUSCHER	(H) HSS	02/20/19
<u>HB 23</u>	SNOWMOBILE REGISTRATION FEES	NEUMAN	(H) FIN	04/17/19
<u>HB 24</u>	LIMITED TEACHER CERTIFICATES; LANGUAGES	KREISS-TOMKINS	(H) FIN	03/09/20
<u>HB 25</u>	PRIVATE POLICE ORGANIZATIONS	SULLIVAN-LEONARD	(H) CRA	02/20/19
<u>HB 27</u>	REGULATION OF FLAME RETARDANT CHEMICALS	TARR	(H) L&C	02/07/20
<u>HB 28</u>	EQUAL PAY & MINIMUM WAGE ACT	TARR	(H) STA	02/20/19
<u>HB 39</u>	APPROP: OPERATING BUDGET/LOANS/FUNDS	RLS BY REQUEST OF THE GOVERNOR	CHAPTER 1 FSSLA 19	06/28/19
<u>HB 40</u>	APPROP: MENTAL HEALTH BUDGET	RLS BY REQUEST OF THE GOVERNOR	CHAPTER 2 FSSLA 19	06/28/19
<u>HB 41</u>	SHELLFISH PROJECTS; HATCHERIES; FEES	ORTIZ	(S) FIN	05/06/19
<u>HB 42</u>	OUTDOOR ADVERTISING SIGNS	RAUSCHER	(H) TRA	02/20/19
<u>HB 46</u>	APPROP: ERA FOR PAYMENT OF PFD	RLS BY REQUEST OF THE GOVERNOR	(H) STA	02/20/19
<u>HB 47</u>	PFD SUPPLEMENTAL PAYMENT	RLS BY REQUEST OF THE GOVERNOR	(H) STA	02/20/19
<u>HB 61</u>	REPEAL DEBT REIMBURSEMENT: CAP. PROJECTS	RLS BY REQUEST OF THE GOVERNOR	(H) EDC	02/20/19
<u>HB 64</u>	ALCOHOL TAX: APPROP TO COMMUNITY ASSIST.	RLS BY REQUEST OF THE GOVERNOR	(H) HSS	02/20/19
<u>HB 65</u>	FISH TAX: REPEAL MUNI REFUNDS/REV. SHARE	RLS BY REQUEST OF THE GOVERNOR	(H) FSH	02/20/19
<u>HB 66</u>	REPEAL STATE DEBT REIMBURSE. FOR SCHOOLS	RLS BY REQUEST OF THE GOVERNOR	(H) CRA	02/20/19
<u>HB 69</u>	REPEAL AK PUBLIC BROADCASTING COMM.	RLS BY REQUEST OF THE GOVERNOR	(H) CRA	02/20/19
<u>HB 79</u>	PEACE OFFICER/FIREFIGHTER RETIRE BENEFITS	KOPP	(H) FIN	04/03/19
<u>HB 84</u>	WORKERS' COMP: POLICE, FIRE, EMT, PARAMED	JOSEPHSON	(H) L&C	04/26/19

<u>HB 138</u>	NATIONAL RESOURCE WATER DESIGNATION	KOPP	(H) RES	04/17/19
<u>HB 185</u>	REGISTRATION OF BOATS: EXEMPTION	STUTES	(H) FIN	02/26/20
<u>HB 194</u>	SCHOOL DISTRICT CONSOLIDATION	VANCE	(H) CRA	01/21/20
<u>HB 232</u>	MUNICIPAL TAX CREDITS	HOPKINS	(H) RLS	03/03/20
<u>HB 234</u>	APPROP: SUPP; REAPPROP; CAP; AMEND; CBR	RLS BY REQUEST OF THE GOVERNOR	(S) FIN	02/28/20
<u>HB 236</u>	INCREASE BASE STUDENT ALLOCATION	STORY	(H) FIN	03/09/20
<u>HB 249</u>	MARINE HIGHWAY CORPORATION	STUTES	(H) TRA	02/17/20
<u>HB 253</u>	SALE, TRANSFER, OR DISPOSAL OF FERRIES	KREISS-TOMKINS	(H) STA	03/11/20
<u>HB 300</u>	PERM FUND: APPROPS FR EARNINGS RESERVE	WOOL	(H) FIN	02/24/20
<u>HB 306</u>	PFDF/GF APPROPS; EARNINGS RESERVE	RLS	(H) FIN	03/04/20
<u>SB 1</u>	REPEAL CERTIFICATE OF NEED PROGRAM	WILSON	(S) FIN	04/10/19
<u>SB 5</u>	PERM. FUND CORP TO MANAGE MUNI ASSETS	STEVENS	(S) CRA	01/16/19
<u>SB 6</u>	PRE-K/ELEM ED PROGRAMS/FUNDING; READING	BEGICH	(S) FIN	02/17/20
<u>SB 19</u>	APPROP: CAPITAL BUDGET; SUPPLEMENTAL	RLS BY REQUEST OF THE GOVERNOR	CHAPTER 3 FSSLA 19	07/08/19
<u>SB 20</u>	APPROP: OPERATING BUDGET/LOANS/FUNDS	RLS BY REQUEST OF THE GOVERNOR	(S) FIN	02/13/19
<u>SB 26</u>	EQUAL PAY & MINIMUM WAGE ACT	BEGICH	(S) L&C	01/18/19
<u>SB 50</u>	EMPLOYMENT TAX FOR EDUCATION FACILITIES	BISHOP	(S) FIN	01/31/20
<u>SB 57</u>	REPEAL MUNI LEVY OF O&G TAX/CREDIT	RLS BY REQUEST OF THE GOVERNOR	(S) CRA	02/13/19
<u>SB 59</u>	REPEAL DEBT REIMBURSEMENT: CAP. PROJECTS	RLS BY REQUEST OF THE GOVERNOR	(S) FIN	02/13/19

<u>SB 62</u>	ALCOHOL TAX: APPROP TO COMMUNITY ASSIST.	RLS BY REQUEST OF THE GOVERNOR	(S) CRA	02/18/19
<u>SB 63</u>	FISH TAX: REPEAL MUNI REFUNDS/REV. SHARE	RLS BY REQUEST OF THE GOVERNOR	(S) CRA	02/18/19
<u>SB 64</u>	REPEAL STATE DEBT REIMBURSE. FOR SCHOOLS	RLS BY REQUEST OF THE GOVERNOR	(S) FIN	04/19/19
<u>SB 74</u>	INTERNET FOR SCHOOLS	HOFFMAN	(H) CALENDAR 3/16	03/13/20
<u>SB 103</u>	PFD APPROPRIATIONS; EARNING RESERVE	FINANCE	RETURNED TO (S) RLS	05/02/19
<u>SB 104</u>	APPROPRIATION LIMIT	FINANCE	(S) FIN	04/05/19
<u>SB 130</u>	SEAFOOD PRODUCT DEVELOPMENT TAX CREDIT	STEVENS	(S) RES	01/21/20
<u>SB 136</u>	STATE-TRIBAL EDUCATION COMPACT SCHOOLS	STEVENS	(S) EDC	01/21/20
<u>SB 145</u>	REGISTRATION OF BOATS: EXEMPTION	MICCICHE	(S) FIN	02/26/20
<u>SB 204</u>	STATE LAND SALES; PLATS; RIVERS	RLS BY REQUEST OF THE GOVERNOR	(S) RES	02/19/20
<u>SB 205</u>	SUPPLEMENTAL PFD FOR 2019 RECIPIENTS	RLS BY REQUEST OF THE GOVERNOR	(S) FIN	02/19/20

Resources:

In order to testify, it is best to go to a Legislative Information Office (LIO) if you have one close to you or call one of the numbers below.

Link to LIO offices <http://akleg.gov/lios.php> - for addresses and phone numbers.

Off net:

Juneau - 586-9085 - for all phone numbers originating in Juneau

Anchorage - 563-9085 - for all phone number originating in Anchorage

Other, 1-844-586-9085 - for all phone numbers not originating in Juneau or Anchorage

Please note that if you are in an "Other" community and your phone number originates in Juneau or Anchorage, the 1-844-586-9085 will not work. You must use the Juneau or Anchorage number.

Here are a couple of links to websites that report on Juneau activities which you may find interesting:

- Governor's office press releases.
<https://gov.alaska.gov/newsroom/>

- Majority Press Releases
 - *House* – **akhouse.org**
 - *Senate* - <http://www.alaskasenate.org/>

- Minority Press Releases
 - *House* - <http://alaskahouserеспублиcans.org/>
 - *Senate* - <http://alaskasenatedems.com/>