

# 2019 CAPITOL CURRENTS

31<sup>st</sup> Alaska State Legislature ~ 1<sup>st</sup> Session

Fourth Edition – 2/4 to 2/10/19

– 64 Days to go! –

*~ Another record broken, the House goes 25 days without organizing - the previous record was 22 days set in 1981 - will release of the Governor's budget break the stalemate? ~*

## HIGHLIGHTS

One more effort to nominate Rep. Talerico as speaker failed.

Options for House organization are few. Power sharing agreements and a committee of the whole concept are under discussion, but all options are complicated. This weekend, Rep. Rauscher (R) one of eight lawmakers tasked with drafting an organization plan, left the effort and said he doesn't believe it's feasible.

In the absence of an organization, they're holding bi-partisan informational meetings to stay on top of things.

Becky Hultberg, President and CEO of the Alaska State Hospital Association (ASHNA), recently wrote an article debunking what she calls the myths of Medicaid expansion. Her bottom line: Repealing it will harm lives and slow down Alaska's economic recovery.

Read the article here: [Juneau Empire](#)

ASHNA and the AK Native Tribal Health Consortium will be presenting on Medicaid & Its Role in Alaska's Economy to a House Miscellaneous committee Wednesday, February 13<sup>th</sup> at 11am.

Federal inspectors found substantial deficiencies at Alaska Psychiatric Hospital (API) during an inspection last summer citing an "immediate jeopardy" to patient safety. They came back recently due to continued non-compliance.

DHSS Commissioner-elect Crum announced that a private firm – Wellpath - will take over operations. The Tennessee company has roots in the private prison industry. The sudden, no bid move, wasn't ok with Senator Wielechowski ([Special Orders 2.8.19](#) 18.40 minutes in) but Senator Giessel and others see it as a positive sign.

Senator David Wilson is asking for a waiver from Uniform Rule 23 to allow for a **SHSS hearing to be held Wednesday at 1:30pm** without the regularly required notice to examine the situation with API.

Concerns continue to abound about the costs of the opioid crisis while pot pulled \$17 million into state coffers last year. [SFIN Fiscal Impacts of Opioid](#)

UAA students graduating this spring and summer from the now unaccredited School of Education will still be considered graduates from a "state approved program", according to a unanimous decision by the state Board of Education. The future is less certain.

There are 17 women members of the state House, most likely a record for Alaska. The Senate has six women out of 20 members, with half of the six leadership positions filled by women.

To see how Alaska compares to other states look here: [Women in State Legislatures 2019](#)

## **GOVERNOR'S CORNER**

The governor's office will post press releases and other items of interest here:

<https://gov.alaska.gov/>

Dr. Michael Johnson, Commissioner of the Department of Education, is now third in line. The Governor has appointed Mr. Johnson designated successor to the Lieutenant Governor, subject to confirmation. Legislative vetting is underway.

Alaska First Lady Rose Dunleavy opened nominations for the 2019 First Lady's Volunteer of the Year Awards. The awards are an annual tradition started by First Lady Bella Hammond to recognize and pay tribute to a special group of volunteers that have made an extraordinary contribution to our communities and state.

Nominations will be accepted from February 8 through close of business on Friday, March 8, 2019. Nominations can be submitted online at [volunteer awards](#) or by using hard copies available to pick up in person at the Governor's offices in Anchorage, Juneau, Fairbanks and Palmer.

## **BUDGET ISSUES**

State Education Commissioner Michael Johnson said its time to review how the state funds public schools. On Wednesday, Johnson was asked about the school funding formula at a [Senate Finance Committee hearing](#) on whether he should be designated as the successor to Lt. Gov. Kevin Meyer if needed.

Johnson is quoted as saying: "It's my notion that the formula is over 20 years old," Johnson said. "It was developed before a lot of the technology that we have today. And so, I would suggest that a review at least of the formula is in order."

Johnson also said he was consulted by Dunleavy's Office of Management and Budget about a controversial \$20 million [proposed cut](#) in school funding in the current budget.

"As commissioner of education, I support the governor's proposed [supplemental budget](#)," he said. Johnson acknowledged he didn't consult with school districts before the \$20 million cut was proposed.

In the meantime [SB 39](#), the Supplemental Budget, received bi-partisan legislative pushback about that proposed \$20 million cut of money appropriated last year but not distributed. Biggest complaints were a serious lack of transparency and letting down our schools that were counting on the promise.

We can expect Alaska's economy to take a hit no matter what the budget outcome primarily due to a lackluster oil price forecast, according to OMB's chief economist.

**Monday at 8:00am** the SHSS Budget Subcommittee will hear from the Legislative Finance HSS analyst, Kelly Cunningham for a state fiscal overview and history of Health and Social Services.

Governor Dunleavy is scheduled to present his budget plan at **10:30 am on Wednesday**. The Governor has said he will preserve Permanent Fund dividend without taxes or spending from state savings.

Of course, the *big reveal* is expected this week—pending introduction and referral of SSSB20, OMB Director Arduin will be in front of **SFIN 9:00am Thursday the 14<sup>th</sup>** reviewing Public Safety, LAW, Corrections, Military & Veterans Affairs, Judiciary, Office of the Governor and the Legislature.

A **House Misalliance Committee** hearing at **2:00 pm** will be the House's first look at the FY 20 Amended operating budget.

SFIN meets again on **Friday morning** reviewing Natural Resources, Environmental Conservation, Fish & Game, Labor & Workforce Development, Commerce, Community & Economic Development, Administration, Revenue, Education & Early Development, and the University.

### **BILLS ON THE MOVE**

Crime bills are on the move. The Governor's four crime bills are in the Senate mix with AG Clarkson at the helm. The choice to break justice reform into four separate bills has been well received. It may allow for better focus on specific issues and lessen details confusion.

Check out the crime bills this week:

[SB 32](#) Crimes; Sentencing; Mental Illness; Evidence will be heard in **SJUD on Monday at 1:30pm**

[SB 33](#) Arrest; Release; Sentencing; Probation will be heard in **SSTA on Thursday at 3:30pm**.

[SB 34](#) Probation; Parole; Sentences; Credits will be heard in **SSTA on Tuesday and Thursday at 3:30pm** - the committee will take public testimony on Thursday.

[SB 35](#) Crimes; Sex Crimes; Sentencing; Parole will be heard in **SJUD on Wednesday and Friday at 1:30pm** - they will also hear [SB 12](#) Assault; Sex Offenses; Sentencing Credit sponsored by Senator Micciche.

[SB 37](#) Renewal of Vaccine Assessment Program moved from SHSS this week with all due passes and is scheduled to be heard in **SFIN on Wednesday the 13<sup>th</sup> at 9:00am**.

[SB 7](#) Medical Assistance Work Requirement sponsored by Senator Micciche is scheduled for its first hearing **Friday February 15<sup>th</sup> at 1:30pm in SHSS**. The bill requires the department of health and social services to apply for a waiver through the Centers for Medicare and Medicaid Services (CMS) to establish a work requirement for adults qualifying for medical assistance that do not meet one of listed exemptions.

The work requirements are for a minimum of 20 hours of work activities including seeking employment, participating in an educational or training program intended to lead to employment, volunteering, engaging in subsistence activities, or caregiving.

[SB 30](#) College Credit for High School Students sponsored by Senator Stevens will be heard in **SEDC Tuesday at 9:00am**. The bill establishes the Middle College Program. Students who have

completed the 10<sup>th</sup> grade may enroll in courses offered by the University of Alaska. A student may earn both high school and college credit for each course the student has satisfactorily completed. A student may attend a course in person or by correspondence, as allowed by the University of Alaska. All districts must participate and the Board of Education must report on the program annually to the Legislature.

Senator Kiehl introduced [SB 46](#) that provides teachers, Troopers, firefighters and other public employees the chance to earn a pension. It is referred to CRA and FIN. The new pensions won't cost employers more than the defined contribution system, and analyses of past versions of the bill show it saves the state roughly \$70 million in the first ten years.

## **ITEMS OF INTEREST**

**Tuesday the 12<sup>th</sup> at 9:00am**, SFIN will hear: Evaluating Multi-agency Initiatives on Housing & Homelessness with presenters from the Rasmuson Foundation, AK Mental Health Trust, Alaska Housing Finance Authority, Alaska Coalition on Housing & Homelessness, and the Anchorage Coalition to End Homelessness.

**Also on Tuesday**, Sen. Gray-Jackson sponsors a Lunch and Learn: Feeding AK - the Community Impact of Hunger in AK with presenters from the Alaska Food Coalition.

**Thursday the 14<sup>th</sup> at 9:00am** SEDC will hear a presentation from DEED about Alaska's New School Accountability System & School Designations.

**1:30pm Thursday**, SL&C will hear: Where Alaska Leads the Nation & Other Emerging Sectors- Alaska is #1 in the Nation in the Percentage of Women-Owned Employer Firms by Nolan Klouda, Executive Director, UAA Center for Economic Development.

### **Board/Council Appointments or Extensions**

On **Tuesday at 1:30pm** SL&C will hold confirmation hearings for the Alcohol Beverage Control Board and the Marijuana Control Board.

**Tuesday at 3:30pm** SSTA will hear from the Lt. Governor Successor Designee-Michael Johnson.

**Wednesday at 9:00am** SFIN will hold confirmation hearings for the Mental Health Board of Trustees.

## **WAYS TO FOLLOW HEARINGS**

**Website**-Daily Committee Hearings for February 11-16, 2019 - [Hearing Schedule](#)

**Gavel to Gavel**: Most committee hearings can be seen and heard on Gavel Alaska. It is broadcast on both local access TV and on the internet at [360 North](#)

**Streaming Video** - [alaskalegislaturetv](#)

**Testifying** - Legislative Information Office (LIO) [LIO Offices](#)  
Call-in: available with prior approval from the committee chair  
1-855-463-5009 or in Juneau 907-463-5009

**~ End of Report ~**

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