2019 CAPITOL CURRENTS

31st Alaska State Legislature ~ 1st Session

Fourteenth Edition – 4/15 to 4/22/19

~ Governor's Cabinet confirmed but no picnic ~ Back to business ~

25 days to go to 121 day

HIGHLIGHTS

All 13 Cabinet picks survived the confirmation process, often after passionate debate about qualifications and character. The big fights and closer votes were over AG Kevin Clarkson, Public Safety's Amanda Price, Adam Crum for HSS, and DEC's Jason Brune. The rest were near unanimous or unanimous.

Review the list of cabinet members here: Commissioners

But Governor Dunleavy lost seven other nominees (out of 88), including former Judge Karl Johnstone - Fish Board; legalization opponent Vivian Stiver - Marijuana Board; and Nursing Board pick Marisha Dieters because her seat was for a different type of license.

To find out more about a board or commission go here: Active Boards and Commissions

The Governor praised his team in a prepared statement: "Collectively, we have assembled a remarkable group of Alaskans – from all walks of life – focused on tackling the important issues before us."

The Alaska State Employees Association Local 52 sued the state alleging the HSS Department violated bargaining agreements, state law and the Alaska Constitution by trying to privatize operations of the Alaska Psychiatric Institute. The Union represents 200 employees at the hospital.

Alaska's economy seems to be picking up after three skid years, but the short term future is uncertain, according to speakers at the 2019 Economic Luncheon. Still, overall it is seen as a "really positive shift" according to Mouhcine Guettabi, ISER's Assistant Professor of Economics.

Much public support and some opposition Tuesday at a Senate Education Committee hearing about a bill that could expand pre-K programs. SB 6, sponsored by Sen. Begich, would allow schools to apply for three-year education development grants over the next five years. It was set aside for further consideration.

GOVERNOR'S CORNER

The governor's office will post press releases and other items of interest here:
https://gov.alaska.gov/

Governor Dunleavy would like to move 49,000 Alaskans covered by Medicaid expansion to subsidized private insurance plans. He says it will be easier to shift if their financial situation improves. HB 135 and SB 112 are the vehicles for his proposal.

See the transmittal letter here: Letter

Dunleavy today appointed Ms. Kristen Stohler of Palmer to fill a judicial vacancy on the Palmer Superior Court. Ms. Stohler has over 12 years of legal experience in the state of Alaska. Since 2011, she has run a private practice in Palmer with a focus on domestic relations cases, and has previously worked as a public defender, guardian ad litem, and parent's attorney in Child in Need of Aid matters.

BUDGET ISSUES

Senate budget closeouts are coming together, and the full Senate Finance Committee will start to talk about it this week. HSS and Education subcommittees are done.
SHSS Budget Closeout
SEDC Closeout Report

A recent poll of 739 voters, conducted by Ivan Moore, shows more support than opposition to Dunleavy's budget – 49 to 46 - but respondents also believe cuts will hurt the state economy. Five percent were neutral.

Various Constitutional amendments are on the front burner. The Governor especially wants to see action on his PFD, Spending and Tax Limit proposals. Prognosis guarded as they sort through some tough issues.

For example, Senate Judiciary considered alterations to the Governor's guaranteed dividend proposal and unanimously voted to turn the annual PFD into a quarterly check. ISER found part of the current dividend is now spent out of state. Legislators reasoned that smaller payments might encourage more Alaska spending.

There also is evidence that a rise in crime accompanies the Fall full payment. The Committee made several other changes, merged the constitutional dividend guarantee with the Governor's proposed separate spending cap and passed it on to Finance. See the proposal here: SJR 5 (JUD)

The House passed a bill extending the moratorium on school bond debt reimbursement until 2025. This won't affect projects started before 2015. The Municipal League and some school districts argue we must continue to fund this program because of the constitutional requirement to provide education.

State officials are still working on the Senior Benefits $800,000 funding shortfall that may halt payments to over 4,700 Alaskans in May and June. The HSS Department says it's looking all over the place for the money.

Bill Hearings

HB 31 Approp. Earnings Reserve to Permanent Fund sponsored by Rep. Kreiss Tomkins receives its second hearing on **Tuesday at 3pm in HSTA**. ***Public testimony will be taken.***

HB 96 Pioneers' Homes and Veterans' Home Rates sponsored by Rep. Fields was heard in HSS last week and is scheduled for another **on Tuesday at 3:00pm**.

SJR 9 Constitutional Amend: Approp. Bill for Public Education sponsored by Sen. Costello will be in **SJUD at 6pm on Tuesday.**

HB 131 Appropriation Limit sponsored by HFIN receives its first hearing at **1:30pm on Thursday in HFIN.** Unrestricted general fund appropriations made for a fiscal year may not exceed $5,000,000,000 by more than the average change in inflation in the previous five fiscal years with limited exceptions. The change in inflation will be based on the Consumer Price Index for Anchorage.

Further, the bill requires the governor to submit a report with a calculation of appropriations in the budget as applied to the appropriation limit under AS 37.05.545. The report must be updated upon submission of the governor's supplemental appropriation bills and the governor's budget amendments.

HSTA will hear two budget bills on **Thursday at 3pm**: HB 132 Permanent Fund; Deposits; Dividend; Earnings sponsored by Rep. Wool and HJR 6 Constitutional Amend: Permanent Fund & Dividend sponsored by the Governor receives its first hearing

HB 106 School Bond Debt Reimbursement sponsored by Rep. Wilson passed the House and is awaiting a hearing in SFIN.

Budget Hearings:

The operating and mental health budgets are in SFIN this week
Monday, Friday and Saturday at 9am
Tuesday and Thursday-David Teal, Legislative Finance Director, is listed as the presenter

BILLS ON THE MOVE

Hearings:

HB 114 SHARP 3 passed from HSS and is scheduled to be heard **Monday at 1:30pm in HFIN.**

SB 36 Extend the Board of Nursing sponsored by Sen. Giessel is scheduled for its first hearing in **HL&C on Monday at 3:15pm.**

HHSS will hear HB 89 Opioid Prescription Information sponsored by Rep. Spohnholz and SB 37 Renewal of Vaccine Assessment Program sponsored by Sen. Giessel on **Tuesday at 3pm.**

HB 82 Discrimination: Gender ID; Sexual Orientation sponsored by Rep. Josephson will be heard in **HSTA on Tuesday at 3pm. Public testimony will be taken.**

SB 10 Extend the Suicide Prevention Council sponsored by Sen. Kawasaki will be heard in **SFIN at 9am on Wednesday. Public testimony will be taken.**

HB 29 Insurance Coverage for Telehealth sponsored by Rep. Spohnholz and HB 97 Telehealth; Physician Assistants; Drugs sponsored by Rep. Kreiss-Tomkins (companion to SB 44) will be heard in **HL&C Wednesday at 3:15pm.** HB 29 is also scheduled for a hearing on **Friday**

Passed from Committee:

HB 93 Military Spouse Courtesy License sponsored by Rep. Tuck moved from HMVA and is awaiting a hearing in L&C.

HB 115 Absentee Voting sponsored by Rep. Tuck moved from HSTA and is awaiting referral to its next committee which will be JUD.

Crime Bills:

Demands for full repeal of SB 91 seem to have diminished as legislators begin to see the big picture. However, fixes to particular concerns are still moving forward.

The House Majority's criminal justice reform bill is anticipated this week. It is listed in JUD on Monday pending referral and then in HFIN on Friday at 9am and 1:30pm and Saturday at 10am and 1:30pm.

HFIN will conclude last Friday's hearing on criminal justice reform **Monday at 4pm** and **Tuesday at 9am.** They'll hear a presentation on Community Perspectives on Crime. **Wednesday at 9am** they'll hear presentations on Prison Programs by DOC and Sentencing Programs by the Court System.

HB 14 Assault; Sex Offenses; Sentencing Aggravator sponsored by Rep. Lincoln passed from JUD and is scheduled for its' first hearing in **HFIN Tuesday at 1:30pm.**
Public testimony will be taken.

HB 12 Protective Orders sponsored by Rep. Kopp will be heard in **SJUD on Tuesday at 6pm and again on Friday at 1:30pm. Public testimony will be taken Tuesday night**

HB 133 Juveniles: Justice, Facilities, Treatment sponsored by Rep. Spohnholz receives its' first set of hearings in **HSS Tuesday and Thursday at 3pm.**

SB 34 Probation: Parole: Sentences: Credits sponsored by the Governor is scheduled for a hearing in SJUD **Wednesday at 1:30pm.**

SB 32 Crimes; Sentencing; Mental Illness; Evidence and SB 35 Crimes: Sex Crimes: Sentencing; Parole both sponsored by the Governor scheduled for a hearing in **SFIN Wednesday at 1:30pm.**

SSHB 20 Sexual Assault Examination Kits sponsored by Rep. Tarr moved from HSTA and is awaiting referral to its next committee, FIN.

ITEMS OF INTEREST

HCS SB 89 and the Senate version SB 89 will be in free conference this week. A meeting is scheduled for Monday at noon pending House conferees being appointed.

Tuesday at 8am, HCRA and TRB (Tribal Affairs) will hold a joint meeting to receive a presentation on the 2020 Census from the Foraker Group, the Cook Inlet Housing Authority & the Department of Labor and Workforce Development.

Wednesday at 8:30am, Hand SEDC will meet jointly to hear a presentation on K-12 Funding Considerations by Mark Foster, Financial Performance Analyst.

Thursday at Noon Reps Drummond and Story are sponsoring a presentation on The Importance of Computer Science in Schools by the Alaska Council of School Administrators and the Alaska Staff Development Network.

WAYS TO FOLLOW HEARINGS

Website-Daily Committee Hearings for April 22-27, 2019
Daily Calendar

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

In Juneau: See committee hearing list for room numbers

Call-in: In Juneau dial 586-9085; in Anchorage dial 563-9085; all others dial (844) 586-9085

~ End of Report ~

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