

# 2016 CAPITOL CURRENTS

29<sup>th</sup> Alaska State Legislature ~ 2<sup>nd</sup> Session

Twelfth Edition – 4/11 to 4/17/16

0 days to go – but now on day 91

~ *Legislative going into overtime!* ~

## HIGHLIGHTS

The Session continues. But, in effect, we've finished regular session work and now are in a special like session to focus on the big, unsettled issues – e.g. capital budget, permanent fund income fix, incentives, taxes, crime reform, marijuana.

Most, if not all, the other bills sitting in limbo are now off the table.

The budget is the only mandatory item. Everything else is optional, although if they don't restructure the Permanent Fund, most agree the economic future of our state is at great risk.

As of this writing, the budget for FY 2017 is still being debated.

**HB 247** and **SB 130** are still in play, but held up since there is disagreement on how to scale back the state's tax credit regime for oil and gas companies.

The passage of **HB 188**, modeled after federal law, will let individuals and families set up tax-free savings accounts to help pay for education, housing, transportation or other expenses for children or adults with disabilities. Otherwise known as ABLE – Achieving a Better Life Experience.

**SB 9** passed 36-3 in the House with unanimous concurrence in the Senate. In part, this bill keeps political “attack” advertising out of the official state election pamphlet and strengthens the integrity of Alaska's voter registration list.

Governor Walker says he'll veto a purchase of the Anchorage Legislative Offices. Paying \$32.5 million for the newly renovated building on Fourth Avenue collides with the steep cuts proposed by his administration and the legislature to address the \$4 billion budget deficit.

Long time legislator Senator Bill Stolze made a surprise announcement that he won't seek re-election this year. Rumor more retirements coming.

## **BUDGET ISSUES**

Besides the operating budget, here are the fragments of the puzzle that legislators, the governor, and the public would like to see completed before anybody goes home.

The biggest deal is an overhaul of the Alaska Permanent Fund and how that wealth can be structured to provide a steady revenue stream for state government and protect the Permanent Fund Dividend (PFD). In play are **SB 128** and **HB 245**.

Other revenue raisers on the table: Adjust Alaska's oil tax system; Enact a statewide income tax on all wages and other income earned by residents and non-residents; Authorize a variety of taxes on motor fuel, alcohol, tobacco, marijuana, mining, and numerous fisheries.

The cloud hanging over all of this is an unknown draw from the Constitutional Budget Reserve (CBR) - certainly more than a billion dollars, maybe two billion dollars. A three-quarter vote in each body will be necessary before that can happen.

This gives House democrats some leverage.

**SB 210** – the Community Revenue Sharing/Assistance bill - passed. This, too, will save tens of millions of dollars because of a lower guaranteed base amount to communities.

A couple of other bills that will save hundreds of millions of dollars down the road are comprehensive Medicaid reform legislation (**SB 74**), and an omnibus bill dealing with criminal law and procedure (**SB 91**).

**SB 74** passed and applauded by the governor. The Department of HSS calculated savings from Medicaid reform of up to \$33 million in the first year of implementation, and up to \$113 million by fiscal year 2022.

**SB 91**, the crime bill, is still alive and will have hearings all week in House Finance.

Public radio appears to largely have escaped the budget-cutting ax, but the conference committee eliminated the \$600,000 annual operating grant for public television.

Unless this money is put back in, drastic reductions in various programs, including *Gavel Alaska's* coverage of the Legislature and *360-North*, are coming.

The conference committee also removed \$50 million in funding for the University of Alaska system, expected to cost 400-500 jobs.

## **EDUCATION ISSUES**

The programs *Best Beginnings* and *Parents as Teachers* were eliminated in the operating budget conference committee. Hopes they will be included at the end of the day.

They restored \$917,300 to the *Broadband Access Grant*.

Even though **SB 89** died in committee, the sponsor was able to attach language to **HB 156**, which deals with federal education mandates and academic performance measures. The original bill would have banned Planned Parenthood from teaching sex education in schools.

**156** passed the Senate, but the House refused to concur with Senate changes. A conference committee was appointed.

But, late this afternoon, majority leader Senator Coghill says leaders want to clear the decks of pending bills to focus on the biggest issues and allow for a “clean break” heading into the extended session. That should mean HB 156 is dead.

## **HEALTH & SOCIAL SERVICES ISSUES**

Legislation to create a statewide indoor smoking ban (**SB 1**) was killed in the House Judiciary Committee chaired by Rep. LeDoux. Attempts to resurrect in a different bill with a single subject problem were unsuccessful.

## **NATURAL RESOURCES**

**SB 125** will be heading to the governor for his signature. In effect, it will appoint 3 members of the Legislature to nonvoting seats on the Alaska Gasline Development Corporation board of directors.

## **GOVERNOR'S CORNER**

<http://gov.alaska.gov>

Governor Walker delivered a “state of the budget” speech late this past week to explain to Alaskans what is at stake and why we need to fix the budget problem this year. Senator Anna MacKinnon and Senate Minority Leader Berta Gardner each gave a pre-recorded response.

Governor Walker has named Walt Monegan the new Commissioner for the Department of Public Safety. Mr. Monegan served briefly in the same capacity under the Palin administration.

The governor thanked the Alaska Legislature for confirming his board and commission appointees. Lawmakers confirmed 94 of 95 of his appointments during a joint floor session. The Legislature also confirmed the selection of Dean Williams as the commissioner of the Dept. of Corrections.

## **BILLS ON THE MOVE – or NOT!**

**Check BASIS to see what happened to “your” bill**

### **AWAITING TRANSMITTAL TO THE GOVERNOR**

#### **HB 76 / Governor’s Council of Disabilities/Special Education**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HB76](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB76)

Version 29-LS0369\A - Transmitted to the Governor.

#### **HB 125 / Restrictions on sale of Dextromethorphan**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HB125](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB125)

Version 29-LS0544\A - Awaiting transmittal to the Governor.

#### **HB 234 / Insurance Coverage for Telemedicine**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HB234](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB234)

Version 29-LS1251\H - Awaiting transmittal to the Governor.

#### **HJR 14 / Call for U.S. Countermand Convention**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HJR14](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HJR14)

Version 29-LS 0249\P - Awaiting transmittal to the Governor.

#### **HJR 30 / Post Traumatic Stress Injury**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HJR30](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HJR30)

Version 29-LS1483\P - Awaiting transmittal to the Governor.

#### **HCR 4 / U.S. Countermand Convention Delegates**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HCR4](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HCR4)

Version 29-LS0250\N - Awaiting transmittal to the Governor.

#### **SB 9 / Election Pamphlets**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=SB9](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB9)

Version 29-LS0244\P.A - Awaiting transmittal to the Governor.

**SB 53 / Advanced Practice Registered Nurses**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=SB53](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB53)

Version 29-LS0043P - Awaiting transmittal to the Governor.

**SB 74 / Medicaid Reform/PFD/HSAS/ER Use/Studies**

[http://www.akleg.gov/basis/get\\_complete\\_bill.asp?session=29&bill=SB74](http://www.akleg.gov/basis/get_complete_bill.asp?session=29&bill=SB74)

Version 29-LS0692R.A - Awaiting transmittal to the Governor.

**SB 124 / Extend Sunset on Alaska Commission on Aging**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=SB124](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB124)

Version 29-LS1235A - Awaiting transmittal to the Governor on 4/14.

**SB 142 / Insurance for Anti-Cancer Medication**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=SB142](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB142)

Version 29-LS1133H - Awaiting transmittal to the Governor on 4/14.

**SB 180 / Parent-Guardian/Child: Temporary Power of Attorney**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=SB180](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB180)

Version 29-LS1431N - Awaiting transmittal to the Governor on 4/17.

**SCR 20 / Sexual Assault Awareness Month: April 2016**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=SCR20](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SCR20)

Version 29-LS1519A - Awaiting transmittal to the Governor on 4/12.

**CONFERENCE COMMITTEE**

**HB 75 / Marijuana Registration; Clubs; Muni's; Local Option Election**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HB75](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB75)

Version 29-LS0345AA - Scheduled for Conference Committee on 4/18.

**HB 156 / School Accountability Measures; Federal Law**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HB156](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB156)

Version 29-LS0566Q – House Conference Committee appointed. **Bill Dead**

**HB 256 & HB 257 / FY17 Operating & Mental Health Budgets**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HB256](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB256)

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HB257](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB257)

Version 29-GH2740U and Version 29-GH2742N - Scheduled for Conf. Committee.

**SENATE COMMITTEE OR FLOOR ACTION**

**SJR 12 / Constitutional Amendment: Elected Attorney General**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=SJR12](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SJR12)

Version 29-LS0095W - Pending in Senate Rules.

**SB 128 / Permanent Fund: Deposits; Dividend; Earnings**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=SB128](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB128)

Version 29-GS2859A - Pending in Senate Finance.

**HB 27 / DHSS Duties; CINA; Foster Care; Adoption**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HB27](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB27)

Version 29-LS0176\S - Pending in Senate Rules.

**HB 324 / Violent Crimes Compensation Board Membership**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HB324](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB324)

Version 29-LS1479\W - Pending in Senate Rules.

**HOUSE COMMITTEE OR FLOOR ACTION**

**SB 91 / Omnibus Criminal Law & Procedure; Corrections**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=SB91](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB91)

Version 29-LS0541\V - Scheduled House Finance all week.

**SB 103 / Residential Psychiatric Education Funding**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=SB103](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB103)

Version 29-LS0733\G - Pending in House Finance.

**SB 165 / Alcoholic Beverage Control Board; Minors; Alcohol**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=SB165](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB165)

Version 29-LS1384\E - House passed, but Senate failed to concur with changes.

**SB 174 / Registration of Firearms; Knives by U. of Alaska**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=SB174](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB174)

Version 29-1306\G - Pending in House Finance.

**SCR 16 / Special Session to be Held on Road System**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=SCR16](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SCR16)

Version 29-LS0906\W - Pending in House Rules.

**LEGISLATION THAT WON'T PASS!**

(Note: This will not be a complete list – go to BASIS to determine the status of any bill)

**HB 200 / Adoption of Child in State Custody**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HB200](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB200)

Version 29-GH1262\H.A - Passed House on 4/15. Pending in Senate Judiciary.

**HB 275 / Indigenous Peoples Day**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HB275](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB275)

Version 29-LS1333\W.A - Pending in Senate State Affairs.

**HB 308 / Child Safety Seat Installation Liability**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HB308](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB308)

Version 29-LS1323\A.A - Passed House on 4/10. Pending in Senate Judiciary.

**HB 334 / Child Custody; Domestic Violence; Child Abuse**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HB334](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HB334)

Version 29-LS1409\I - Pending in House Rules.

**HB 344 / Drug Prescription Database**

[http://www.akleg.gov/basis/get\\_complete\\_bill.asp?session=29&bill=HB344](http://www.akleg.gov/basis/get_complete_bill.asp?session=29&bill=HB344)

Version 29-LS1378\P - Pending in House Finance

**HJR 29 / Call Federal Constitutional Convention: Term Limits**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=HJR29](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=HJR29)

Version 29-LS1322\A - Pending in House Rules.

**SB 1 / Regulation of Smoking**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=SB1](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB1)

Version 29-LS0003\U - Pending in House Judiciary.

**SB 6 / Eliminate Daylight Saving Time**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=SB6](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB6)

Version 29-LS0111\S - Pending in House Finance.

**SB 89 / Parent Rights: Education; School Absence**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=SB89](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB89)

Version 29-LS0735\L - FAILED to move from House HSS on 4/12.

**SB 112 / Adoption of Child in State Custody**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=SB112](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB112)

Version 29-GS1262\G - Returned to Senate Rules on 4/9.

**SB 166 / Drug Prescription Database; Registration**

[http://www.akleg.gov/basis/get\\_complete\\_bill.asp?session=29&bill=SB166](http://www.akleg.gov/basis/get_complete_bill.asp?session=29&bill=SB166)

Version 29-LS1165\N - Pending House L&C.

**SB 175 / Pharmacy Benefits Managers**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=SB175](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB175)

Version 29-LS1110\E - Pending in Senate Finance.

**SB 201 / Pharmacy Board and Employees; Drug Distribution/Manufacturing**

[http://www.legis.state.ak.us/basis/get\\_complete\\_bill.asp?session=29&bill=SB201](http://www.legis.state.ak.us/basis/get_complete_bill.asp?session=29&bill=SB201)

Version 29-LS1482\A - Passed Senate on 4/12. Pending in House L&C.

**COMMITTEE HEARINGS**

*(On 24-Hour Rule – check House and Senate committee schedule on BASIS)*

**~ End of Report ~**

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