

2019 CAPITOL CURRENTS

31st Alaska State Legislature ~ 1st Session

Fifteenth Edition – 4/22 to 4/28/19

~Crime and budget centerstage. Clock ticking.~

HIGHLIGHTS

Governor Dunleavy recently complained that the House is doing a slow roll on his four crime bills on sex offenses, sentencing, pretrial, probation and parole. House Judiciary responded.

[HB 145](#) rolls several crime bills under consideration into one (see [HB 10](#), [HB 20](#), [HB 33](#), [HB 49](#), [HB 50](#), [HB 51](#), [HB 52](#)).

HB 145 targets dealers and distributors with increased sentence ranges and stronger drug penalties; and closes sex offense and sex offender registration loopholes. Judiciary Chair Matt Claman says it is about “staying tough on crime but also being smart on crime”. He’s committed to passage of a bill this session.

Once through Judiciary, HB 145 is scheduled each day next week in House Finance. A new CS for HB 49 is also on the schedule.

Another crime bill, [HB 14](#) Assault; Sex Offenses; Sentencing Aggravator, the bill closing a legal loophole that ended a judge’s career, passed the House on Saturday.

The Senate, on the other hand, is working hard on the Governor’s package. Crime is a Senate priority. Finance Co-Chair von Imhof says they will continue to hear these bills until they’re done. A crime law special session this summer is likely if they can’t work things out.

The Governor also wants action on his three proposed constitutional amendments addressing taxes, the dividend and spending. Responses so far are underwhelming. Getting the necessary 2/3 vote ain’t easy; but the Senate may be willing to replace existing law with a new spending limit.

The Legislature completed its rollback of last year’s self-imposed ethics restrictions intended to address legislators’ conflicts of interest with the passage of [SB 89](#). Some say last year’s effort ended up preventing them from speaking to constituents on certain issues.

Four D’S and two R’s voted no.

Second thoughts. The WellPath sole source contract that turned over long-term management of API will be cancelled by “mutual agreement”. A competitive bidding process will follow.

Commissioner Crum said the decision to cancel phase 2 of the contract has been under serious consideration for a few weeks. Employee union, ASEA, recently filed a lawsuit citing various contract violations.

Dr. Jay Butler, Alaska’s former chief medical officer is going to work for the Centers for Disease Control in Atlanta as the head of the office of infectious disease. One of his priority areas will be HIV transmission. Tuberculosis is also on his mind along with climate warming impacts on infectious disease.

BUDGET ISSUES

Following a couple of days of overviews and conversations with the Legislature's Budget Division boss David Teal, the Senate Finance Committee worked through amendments to the operating budget. The final Senate Finance CS is about \$1.7 million less than the House without the dividend. Click here to watch the hearing and read the amendments: [SFIN 4.26](#)

The big one: Full \$3,000ish dividends this year based on the statutory formula. We don't have the money so they will have to make up the \$1.2 billion difference using either the Constitutional Budget Reserve or the PF earnings reserve.

They also moved \$12 billion from the earnings reserve to the corpus of the Permanent Fund.

Other changes include: funding senior programs through the remaining fiscal year; eliminating the five percent Medicare rate reduction for skilled nursing facilities, senior and disabilities services providers and certain hospitals; necessary WAMMI funding; a dairy program fix for 2020 with user fees by 2021; no transfers of prisoners to out of state facilities; money to expand University's Educators Rising Alaska, high school student preparation for education careers; development of a VPSO recruitment and retention plan; and one time funding for the 2020 census.

A conference committee to iron out the differences will follow Senate passage.

Bill Hearings:

[SB 103](#) PFD Appropriations sponsored by SFIN will be heard again in **SFIN on Monday at 9am** The Permanent Fund dividend formula currently in statute was passed in 1982. SB 103 changes the way the Permanent Fund dividend is calculated. It would put a 50/50 "split" into law, between dividends and services. Review the presentation here: [PowerPoint](#)

[SB 104](#) Appropriation Limit sponsored by SFIN will be heard in **SFIN on Monday at 1:30pm** The limit will include all Unrestricted General Fund (UGF) appropriations for agency spending, Permanent Fund dividends, retirement obligations, and capital projects. The starting point is \$5 billion for FY 2021, with a growth rate based on the average of the previous five-year's inflation.

It doesn't include re-appropriations, federal funds, Designated General Fund (DGF) spending, program receipts, money received from nonstate sources for specific purposes. Other exclusions include appropriations to the Permanent Fund principal; debt payments; disaster funding; deposits into savings accounts and transfers into accounts that require additional legislative action to spend.

Public testimony will be taken on both [HB 31](#) Approp. Earnings Reserve to Permanent Fund sponsored by Rep. Kreiss Tomkins and [HB 96](#) Pioneers' Homes and Veterans' Home Rates sponsored by Rep. Fields on **Monday at 1:30pm in HFIN**.

HSTA will *take public testimony* on several proposed constitutional amendments on **Tuesday at 3pm** [HJR 5](#) State Tax: Initiative; [HJR 6](#) Constitutional Amend: Permanent Fund & Dividend; [HJR 7](#) Constitutional Amend: Approp. Limit; Reserve Fund all sponsored by the Governor and [HJR 18](#) Constitutional Amend: Permanent Fund; POMV; Earnings sponsored by Rep. Kreiss-Tomkins.

[HB 28](#) Equal Pay & Minimum Wage Act sponsored by Rep. Garr receives its first hearing on **Thursday at 3pm in HSTA**. The bill will raise the minimum wage to \$15 an hour effective

January 1, 2020 and requires the Department of Labor and Workforce Development to prepare an annual report on fair pay practices.

[SJR 9](#) Constitutional Amend: Approp. Bill for Public Education sponsored by Sen. Costello moved from SJUD and is awaiting its referral to FIN.

BILLS ON THE MOVE

Hearings:

[SB 10](#) Extend the Suicide Prevention Council sponsored by Senator Kawasaki will be heard in **SFIN at 9am on Monday.**

[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 Monday at 3:15pm. Public testimony will be taken.**

[SB 36](#) Extend the Board of Nursing and [SB 37](#) Renewal of Vaccine Assessment Program sponsored by Sen. Giessel will be heard in HFIN on **Tuesday at 1:30pm. Public testimony will be taken.**

HHSS will hear [HB 89](#) Opioid Prescription Information sponsored by Rep. Spohnholz **Tuesday at 3pm.**

[SB 116](#) Ballot Custody/Tampering; Voter Registration sponsored by Senator Shower was introduced this week and is scheduled to be heard **Tuesday at 3:30pm in SSTA.** The bill changes voter registration through the PFD by requiring a box be checked on the PFD application affirmatively asking to be registered to vote and establishing a toll-free election offense hotline to receive telephone calls reporting election offenses.

It also requires the Elections Division director to develop, by regulation, a system to account for each official ballot, whether used or unused, and paper record of an electronically generated ballot through a redundant, secure, and sealed system that tracks the location and entity that has custody of a ballot or record from the time the ballot is printed or paper record produced, until the applicable election is certified.

[HB 115](#) Absentee Voting sponsored by Rep. Tuck is scheduled in **JUD on Wednesday at 1pm.**

[HB 91](#) Naturopaths; Licensing: Practice sponsored by Rep. Johnston will be heard in **HL&C on Friday at 3:15pm.**

Passed from Committee:

[HB 82](#) Discrimination: Gender ID; Sexual Orientation sponsored by Rep. Josephson adds gender identity and sexual orientation to statewide non-discrimination policy. In a State Affairs hearing, Rep. Sarah Vance proposed an amendment to add “pre-born” status to the policy. It lost 4-2. Vance and Rep. Shaw then voted no on the bill. It moved from committee and awaits a hearing in JUD.

[SB 93](#) SHARP 3 passed from HFIN and is in RLS waiting to be scheduled for the Floor.

Crime Bills:

[HB 49](#) Crimes; Sentencing; Mental Illness; Evidence sponsored by the Governor, is on a similar track to HB 145. Once it moves from JUD it is on the FIN schedule every day next week.

[SB 33](#) Arrest; Release; Probation; Sentencing and [SB 34](#) Probation: Parole: Sentences: Credits, All by the Governor are scheduled to be heard in **FIN on Tuesday at 1:30pm.**

[SSHB 20](#) Sexual Assault Examination Kits sponsored by Rep. Tarr is scheduled in **HFIN Wednesday at 5pm. Public testimony will be taken.**

Passed from Committee:

[HB 12](#) Protective Orders sponsored by Rep. Kopp moved from its last committee, SJUD, and is ready to be scheduled for a Floor vote.

[HB 133](#) Juveniles: Justice, Facilities, Treatment sponsored by Rep. Spohnholz moved from HSS and awaits a hearing in JUD.

ITEMS OF INTEREST

Monday at 8:30am, H and S EDC will meet jointly to continue the presentation on K-12 Funding Considerations by Mark Foster, Financial Performance Analyst.

Tuesday at 8am H Tribal Affairs will hear a presentation on the Missing and Murdered Indigenous Women Crisis.

Tuesday at 3pm HHSS will hear from the Citizen's Review Panel and the response of the Office of Children's Services.

WAYS TO FOLLOW HEARINGS

Website-Daily Committee Hearings for April 29- May 4, 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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