

# **2020 CAPITOL CURRENTS**

*31<sup>st</sup> Alaska State Legislature ~ 2<sup>nd</sup> Session*

## **Third Edition**

**~ House votes to rename room in Honor of former State Sen. Bettye Davis ~**

### **HIGHLIGHTS**

The Governor appointed Lucinda Mahoney as Commissioner of the Department of Revenue. She has 30 years of broad experience in consulting, treasury, debt and investment management, and business development. Ms. Mahoney formerly served as Anchorage's CFO.

DOTPF Deputy Commissioner Mary Siroky has retired. Rob Carpenter will fill the position. For the past 20 years, Carpenter has worked as a senior fiscal analyst for Legislative Finance. He focused on transportation operating and capital budgets.

The House recently voted 37-1 to name the HSS Committee Room after the late, great Senator Bettye Davis, the first black woman elected to the Alaska House.

Rep. Eastman voted no. Rep. Sponholz sponsored the measure. She called Bettye a trailblazing, groundbreaking woman who did so much for our state.

**(TRIVA)** – Who was Bettye's first chief of staff. Answer at the end of the report.

The University is facing a whopping 10% drop in enrollment compared to last year, much more than expected. The budget battle, re-structure talks, lack of scholarship money and accreditation issues may be why.

Yet another hit to our reeling university system, already strapped for cash due to major cuts.

### **BUDGET ISSUES**

The Governor released his FY 20 Supplemental. It covers the unanticipated costs of wildfires and Medicaid, along with money for public safety improvements, transportation infrastructure repairs, and mental health and elder care services.

The Supplemental totals \$262.5 million in unrestricted General funds and \$225 million in Federal matching funds for a grand total of \$507.9 million.

The biggest ticket is \$128 million for Medicaid, including adult dental; many of the cuts last year were disallowed under federal law.

Additional information on the FY20 supplemental bill can be found here:

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

In the meantime, finance committees have been poring over the operating budget that basically calls for flat funding, a full dividend, no new revenues and a giant spend from the state's savings accounts.

New OMB Director, Neil Steininger said proposed cuts are also on their minds, including possible changes to formula spending programs that drive many of the big costs – e.g. K-12 education, Medicaid, state retirement, benefits, state employee costs, bond debt, and the PFD.

So far, the Administration hasn't shared details or proposed legislation; some Finance members grumbled.

Senate leaders, speaking at the Southeast Conference, said that working toward a balanced budget and growing the Permanent Fund are the main goals this year. They also suggested \$2 billion for a full, "oversized" PFD is unsustainable and will not yield a responsible budget.

A study finds that 2018 combined costs of services, accidents and health care from substance abuse were a staggering \$3.5 billion. "Every hour of everyday" our hospitals, police and others deal with it. Note: More than 300,000 Alaskans 12 or older reported recently drinking alcohol.

If the Legislature fails to approve the Medicaid supplemental soon, our largest health care program will be out of money. Legislative leaders say no problem. This is the fourth time since 2016 the state has warned the Legislature of a significant Medicaid funding shortfall.

### **Budget Hearings for the week of February 10<sup>th</sup>**

#### **Amendments, Partial and Final Closeouts in the House this week**

**Tuesday 8am DOC FINSUB** will consider Governor's amendments and at **9:00am DPS FINSUB** will discuss budget action items.

**SEDC FINSUB** meets at **1pm** to review DEED's budget.

**HFIN** meets at **1:30pm** for Departments of Law and Commerce, Community & Economic Development overviews.

**3:30pm HHSS FINSUB** takes amendments - this is a partial closeout hearing.

**5:30pm HDOC FINSUB**, consideration of Governor's amendments.

**Wednesday 8am HEDC FINSUB**, Partial Closeout.

**3:30pm SDPS FINSUB**, will hear a department of public safety overview and explanation of the subcommittee book.

**Thursday at 8:00am HDOC FINSUB**, consideration of the Governor's amendments.

**9:00am HDPS FINSUB**, consideration of amendments to the FY21 DPS Budget.

**3:30 pm HHSS FINSUB**, Final Closeout.

**5:30pm HDOC FINSUB**, consideration of Governor's amendments.

**Friday 8:00am HEDC FINSUB**, Final Closeout.

**1:30pm HFIN** will hold its second hearing on the Supplemental [HB 234](#)

## **BILLS**

**Monday at 1pm HJUD** will hear both [HJR 15](#) Constitutional Amendment; Votes Needed for Veto Override and [HB 133](#) Juveniles; Justice, Facilities, Treatment.

**Tuesday at 9am in SEDC** [SB 6](#) Pre-K; Elementary Ed Programs; Funding. Reading is again before the committee with a discussion of a committee substitute and amendments. It is also scheduled for Thursday's SEDC committee.

[SB 52](#) Alcoholic Beverage Control; Alcohol Reg passed from SJUD last April and is scheduled for its first hearing this session at **9am in SFIN**.

**SL&C** will hear [SB 47](#) Physical/Occupational Therapy Bd/Practice at **1:30pm**. Chair plans to move it out to the next committee, Senate Finance.

[SB 166](#), Authority of Pretrial Services Officers and [SB 167](#) Aggravating Factor; Corrections Officer, both sponsored by the Governor receive their first hearings in **SSTA at 3:30pm**.

SB 166 adds Escape in the Third Degree to the list of offenses for which a pretrial services officer can arrest, file charges, or request a warrant.

SB 167 allows for a sentencing aggravator if the person is convicted of bringing contraband into the facilities and at the time of the offense the person was under contract, a volunteer, or an employee of the Department of Corrections and the offense was committed in the course of the defendant's contractual, volunteer, or employment duties.

**Wednesday at 1:30pm**, after a presentation on the Coronavirus, **SHSS** will hear [HB 96](#), Pioneers' Home and Veterans' Home Rates, that partially reverses Pioneer Home rate hikes by limiting increases to inflation. *Public testimony will be taken.*

**HL&C meets at 3:15pm** to discuss [HB 91](#) Naturopaths; Licensing; Practice, which was heard 3 times last session. Rep. Spohnholz signed on as a co-sponsor in January.

**Thursday at 3:30pm, SSTA** will hear [SB 168](#) Sex Offender Registry; Notice to Victims sponsored by the Governor. The bill is in response to a court case allowing offenders to petition to be removed from the sex offender registry. The bill splits sex offenders registry durations into 3 tiers and affords victims an opportunity to be heard during the petition process. Click here for the transmittal letter: [SB 168 Transmittal](#)

**Friday's 1:30pm, SHSS** will hear [HB 29](#) Insurance Coverage for Telehealth. HB 29 passed the House last May. The bill, sponsored by Rep. Spohnholz, adds physical health telehealth services as a service that insurers must provide in the state

## **GOVERNOR'S CORNER**

The governor's office will post press releases and other items of interest here: [Press Releases](#)

The Governor announced more appointments to Boards and Commissions. See the full list here: [Appointments](#)

Of note, Joey Crum is appointed to the **Alaska Mental Health Trust Authority**; Dana Walukiewicz to the **Alcohol Beverage Control Board**; Kayla Green to **Marital and Family Therapy**; Christina Durham and Bernard Gatewood to **Board of Psychologists and Psychological Associate Examiners**; Sarah Chen to the **Statewide Suicide Prevention Council**, and, Keith Hamilton, Lorri Van Diest to the **Board of Education and Early Development**.

## **ITEMS OF INTEREST**

**Monday at 1pm SEDC** will hold a question and answer session during the School District Legislative Fly-in regarding Alaska's Public School System and receive information from individual School Districts regarding their respective legislative and funding priorities.

**Tuesday at 8am H Tribal Affairs** will hear a presentation about Alaska Tribal Health Compacting from Natasha Singh, Tanaka Chiefs Conference.

**Tuesday's noon Lunch and Learn** will be a discussion on how the Alaska Food Coalition works to improve food access in Alaska.

**Wednesday at 11am** there will be a joint session to hear the State of the Judiciary Address by the Honorable Joel H. Bolger, Chief Justice.

**Wednesday, noon Lunch and Learn** hears a presentation on Alaska Food Policy Council- Innovative Efforts to Reduce Food Waste by Suzanne Caldwell. Anchorage Solid Waste Services will discuss pilot programs to reduce the amount of organic material going into Anchorage landfills. Andrew Mergens, Anchorage School District, will discuss pilot programs to reduce waste in school lunch programs, including the use of Alaska grown food in Anchorage Schools.

**SHSS** will hear a presentation on the Coronavirus: Alaska's Response and Preparedness by DHSS Chief Medical Officer, Dr. Anne Zink **at 1:30pm. HHSS** will hear the presentation **Thursday at 3:00pm.**

**Also at 1:30, SJUD** will hear a presentation by the Alaska Children's Justice Act Task Force. The presentation will also be heard in **HHSS on Thursday at 3:00pm.**

**Thursday at 3:00pm, HSTA** will hear from Laura Brooks, Division Operations Manager, Division of Health and Rehabilitation Services on Alaska Rehabilitation and Reentry.

## **WAYS TO FOLLOW HEARINGS**

**Check the committee calendar the day of the scheduled hearing - sometimes a bill is rescheduled at the last minute.**

**Website-Daily Committee Hearings for February 10-15, 2020**  
[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 [Gavel](#)

**Streaming Video**  
[Live Now](#)

**Testifying**

Legislative Information Office (LIO) [LIO Offices](#)

In Juneau: see committee hearing list for room numbers

Call-in: available with prior approval from the committee chair  
1-855-463-5009 or in Juneau 907-463-5009

**~ End of Report ~**

**Answer to Trivia question.**

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