

2021 CAPITOL CURRENTS

32nd Alaska State Legislature ~ 1st Session

Ninth Edition

*~ House milestone; COVID 19 drama continues;
More dollars good but not enough ~*

HIGHLIGHTS

Finally, Speaker Rep. Stutes confirmed that she now has 21 votes; Rep. Geran Tarr (D-Anchorage) decided to join the team. Initially, she opted out due to concerns about the organizing process. Stutes called Tarr a valued and supportive member.

Public support is solid for [HB 76](#), a House Majority priority that would legislatively extend the disaster emergency, among other things. Business, local government and health care interests alike say it will avoid uncertain unintended consequences with no downside. House Finance is looking at amendments. There is some citizen opposition.

The Governor recently told the Speaker and President that we don't need a disaster declaration anymore since we are rapidly vaccinating Alaskans. However, he would like to see a number of targeted legislative fixes to keep things moving smoothly during this recovery phase.

On the other side, companion bill [SB 56](#) still sits in Senate Finance following an unsuccessful floor motion to move it from the committee that failed in a 13-6 partisan vote. It's scheduled for a hearing on **Wednesday the 24th at 9am**. There is a "disaster declaration light" substitute in the works without a broad state of emergency. Political winds are blowing.

A mask-less Senator Reinbold - back in the building after getting a new, compliant clear plastic face covering - threw down the gauntlet again. In a floor speech, she demanded an apology and more from the Governor for his strident comments reported earlier that were critical of her COVID 19 ways.

The House also had a moment when Rep. Chris Kurka (R- Wasilla) left the chamber mask-less after lambasting leaders "who don't always follow the rules" for a "thinly veiled power play". Nothing will stop the coronavirus so "let's end this charade". He doubts CDC's support for masks is based on science. He continues to protest.

In the meantime, one House and two more Senate staffers have tested positive. Fourteen people who work in the Capitol are in quarantine. Senate President Micciche's Chief of Staff seems to be getting better. His serious illness has hit most Capitol dwellers with a dose of harsh reality.

The Legislative Council extended a contract for legislative testing and screening. It runs through June 30 and adds \$1.5 million; initially budgeted for \$1 million. As we understand, up to \$4 million for Capitol safety will be covered by the Federal Government.

All other COVID-19 safety policies – masks in public spaces, rapid tests every four or five days and daily screening as they enter the building – remain in effect despite some Republican requests to discuss them to see if they should change.

Attorney General Treg Taylor says his #1 priority is to end Alaska's infamous position as worst in the nation for sex crimes. He believes it hobbles us as a state. Taylor wants 10 new prosecutors and 9 new support staff to focus on these crimes. He may hold a summit to discuss options and strategies.

Alaskans continue to work on these issues. In the early 1980's during Gov. Hammond's administration, the legislature created the Council on Domestic Violence and Sexual Assault and provided the 1st state funding for women's shelters and rape crisis centers across the state.

In the 1990s, Gov. Knowles worked with the legislature to pass the Domestic Violence Prevention and Victim Protection Act of 1996, Alaska's first comprehensive legislative package on the issue. Knowles also held a DV & SA summit in 1997. Gov. Parnell started the Choose Respect Campaign in 2010.

Another statewide summit may be timely. Any summit must include victims/survivors of DV & SA and members of the statewide coalitions working to provide services to them.

Taylor also told Rep. Claman at a confirmation hearing last week that he will be hands on and law driven. He, not the Governor, is supposed to make the calls. Claman had criticized Dunleavy for taking bad cases with political implications. Taylor replaces disgraced Ed Sniffen who replaced disgraced Kevin Clarkson.

The Alaska Supreme Court has agreed to hear arguments in the Legislature's lawsuit against Governor Dunleavy over his political appointments. The court granted in-part the Dunleavy administration's request for an expedited appeal schedule in an order dated March 2, which lays out a briefing schedule through March leading up to oral arguments on April 6.

The arguments may be in time for the Court to rule on the case before lawmakers are required to adjourn this session. The lawsuit is the Legislature's second against Dunleavy. Lawmakers sued the governor in 2019 in a battle over education funding that the administration ultimately lost.

BUDGET

Alaska's state government is forecasting \$791.3 million more in revenue over the next 15 months than they projected last fall. The Department of Revenue released its [Spring Revenue Forecast](#) Monday, an update to the [Fall 2020 Revenue Sources Book](#)

The revenue forecast adds \$331.7 million by June 2021, and another \$459.6 million in fiscal year 2022. The forecast doesn't account for the \$1.13 billion Alaska is set to receive through the American Rescue Plan Act — the latest federal relief plan passed earlier this month.

State Chief Economist Dan Stickel stressed that the spring forecast, is an educated guess with a "high degree of uncertainty".

But. There will be no opportunities for additional expenses, according to straight talking veteran Senate Finance Co-Chair Bert Stedman. It does takes some of the pressure off. He also reminded us that an overdraw from the Permanent Fund is an extremely dangerous thing. Dividend size remains the biggest rub.

Large quantities of new federal COVID 19 money also should help. At this point, there are many unanswered questions, but the Legislature and Administration are in the process of trying to sort it all out. We'll keep you posted.

In addition to individual payments of \$1400, there are several provisions and funding set asides in the American Rescue Plan worth noting - nearly \$359 million for Alaska to reopen K-12 schools; a game changing but temporary child tax credit; expansion of unemployment insurance; nearly \$1.4

billion for Alaska state and local governments (State gets biggest chunk); extension of food stamp benefits; housing support money; business assistance like more money for the Paycheck Protection Program and the Economic Injury Disaster Loan, along with a restaurant revitalization package.

The budget is chugging along. The Senate concluded two days of public hearings Thursday on the Operating, Mental Health and Capital Budgets. There were far more program spending supporters than budget cutters.

A majority of the Alaska Mental Health Trust Authority's annual budget is designated for grants to nonprofit organizations, service providers, tribal entities, governmental agencies, and other groups that serve Trust beneficiaries. In FY 2020 the Trust awarded more than \$21 million in grants. Look here for their annual report: [Alaska Mental Health Trust Authority 2020 Annual Report](#)

House close outs are coming soon. Senate Finance likely will wait for them to finish. Speaker Stutes says they're working hard to make up for lost time due to the late start. House Finance Co-Chair Neal Foster is shooting for a 120-day session.

Budget Hearings for the week of March 22nd

Mon, Mar 22nd

- 8am** House Education and Early Development Finance Subcommittee-Division of Innovation & Education Excellence; Pre-K Grantees and Head Start Programs
- 1pm** House Judiciary Finance Subcommittee-budget closeout
- 1:15pm** House LAW Finance Subcommittee
- 1:30pm** **HFIN** [HB 76](#), Extending Covid Disaster Emergency

Tues, March 23rd

- 8am** House Corrections Finance Subcommittee-amendments
- 9am** House Public Safety Finance Subcommittee-amendments
- 11am** House Commerce, Community, Economic Development Subcommittee-amendments
- 1pm** Senate Education & Early Development Finance Subcommittee
- 1:30pm** **HFIN** COVID Funding FY21 & 22 Budget Update
- 3pm** House Health and Social Services Subcommittee-amendments
- 4pm** House Administration Finance Subcommittee-amendments

Wed, March 24th

- 8am** House Education and Early Development Finance Subcommittee-amendments
- 9am** **SFIN** [SB 56](#), Extending Covid Disaster Emergency
- 1pm** House LAW Finance Subcommittee-amendments

	1:30pm	HFIN Alaska Municipal League-Municipal Impacts from State Budget Actions
Thurs, March 18th	8am	House Corrections Finance Subcommittee-Closeout
	9am	House Public Safety Finance Subcommittee- Closeout
	11am	House Commerce, Community, Economic Development Subcommittee-Closeout
	1:30pm	HFIN Reverse Sweep
	3pm	House Health and Social Services Finance Subcommittee-Closeout
	4pm	House Administration Finance Subcommittee-Closeout
Fri, March 26th	8am	House Education and Early Development Finance Subcommittee-Closeout
	9am	SFIN COVID-19 Federal Funding Update
	1pm	House LAW Finance Subcommittee-Closeout
Sat, March 27th	3pm	House Health and Social Services Finance Subcommittee-Closeout

BILLS On the Move

Wed, March 24th, 1:30pm SJUD

[SB 9](#) Alcohol Beverage Control; Alcohol Regulation

[SJR 1](#) Constitutional Am; Guarantee Permanent Fund Dividend sponsored by Sen. Wielechowski - 1st Hearing.

Sat, March 27th, 1pm HSTA

[HB 5](#) Sexual Assault; Definition of Consent sponsored by Rep. Tarr
1st Hearing

GOVERNOR'S CORNER

Governor Dunleavy is mulling over whether to run for re-election but seems to be leaning in that direction. Decision soon. He's ready for the Recall vote expected sometime this summer but claims it's misguided since they're doing good work. More signatures needed but petition sponsors are close.

ITEMS OF INTEREST

Monday at 1:30pm, HFIN will hear a presentation on the Alaska Marine Highway System and **SFIN** will hear about the Final Report from the Alaska Marine Highway System Reshaping Group
Tuesday morning at 9am.

Confirmation Hearings

For a list of the Governor's appointees released March 1st click here:

[Boards and Commissions Appointments](#)

Monday, March 22nd, 1:30pm **SL&C** will consider James Henderson and Justin Ruffridge for the Board of Pharmacy; Mike Wilcher for the Board of Nursing

Thursday, March 25th, 1:30pm **HFIN** will consider Rhonda Boyles, Brent Fisher, Anita Halterman, and Annette Gwalthney-Jones for the Alaska Mental Health Board of Trustees; Attorney General Treg Taylor

WAYS TO FOLLOW HEARINGS

Website: Daily Committee Hearings for March 22-27, 2021 [Weekly 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 [Gavel Alaska Schedule - KTOO](#)

Streaming Video [alaskalegislaturetv](#)

Contacting your Legislator/Testifying - The Capitol is closed to the public.

Contact your local Legislative Information Office (LIO) for questions. [LIO Offices](#)

You also can call using the following numbers.

Tell operator which hearing and bill number you are calling to testify on.

Here's the LIO call-in information for testimony:

If calling from a Juneau phone number: 586-9085

If calling from an Anchorage phone number: 563-9085

If calling from any other number: 844-586-9085

Click here for legislators' email addresses: [Legislator Email Address List](#)

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~ End of Report ~

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