

# LEGISLATIVE REPORT #21-03

## Alaska House Organizes, Begins Works

- After a month-long delay, the House of Representatives organized on the 31<sup>st</sup> day of the legislative session and began its work. The meager 20-member coalition comprises 14 Democrats, four independents, and two Republicans. It is unclear how floor votes on the budget or procedural motions will be handled given the lack of a clear majority.
- Representatives Geran Tarr (*D-Anchorage*) and Sara Rasmussen (*R-Anchorage*) have chosen to remain independent of either the Democratic-Independent or Republican caucuses. However, these members voted with the coalition on leadership roles and committee assignments. The new organization is led by Speaker Louise Stutes (*R-Kodiak*), Majority Leader Chris Tuck (*D-Anchorage*), Rules Chair Bryce Edgmon (*I-Dillingham*), Majority Whip Matt Claman (*D-Anchorage*), and Finance Co-Chairs Neal Foster (*D-Nome*), and Kelly Merrick (*R-Eagle River*).
- Click [here](#) for a full list of committee memberships for the 32<sup>nd</sup> Alaska State Legislature.

## COVID Disaster Declaration Status

- Alaska's COVID-19 Emergency Disaster Declaration was not extended by the Legislature or Governor before the deadline of February 14, 2021. Governor Dunleavy proposed legislation to extend the declaration in both bodies (*SB 56/HB 76*). The Senate bill passed two committees but has yet to be heard in Senate Finance. The latest version amends the extension from the end of September 2021 to March 15, 2021. The House bill is scheduled to be heard in the upcoming week by the House Health & Social Services Committee (pending referral).
- Alaska is now one of just two states in the United States without a formal disaster declaration for COVID. Though the declaration expired, Governor Dunleavy advised his commissioners to continue to follow the policies in place under the declaration. So far, the expiration has led to the closure of a popular, drive-through Anchorage COVID-19 testing site, an expected change in federal waivers for health facility temporary building configurations, relaxed travel policies, and a potential loss of millions of dollars in food stamp aid. It is also possible the state will no longer have the authority to hold mass vaccine clinics, including those with the assistance of the National Guard.
- In lieu of passage of *SB 56*, some Senate majority members introduced separate bills to change state law permanently in response to the failure to extend the emergency disaster declaration. The list to-date includes *SB 24* (allow virtual meetings for corporations), *SB 78* (provision of health care services by telehealth), and *SB 86* (temporary occupational licensing and permit). As an alternative, House Speaker Stutes indicated enacting an extension is a House priority.
- In a [press release](#) following the deadline, Governor Dunleavy announced a new COVID-19 “recovery and transition plan” to “begin moving Alaska, its economy and our lives forward,” including [four new Health Advisories](#).
  - **Health Advisory 1 – Recommendations to Keep Alaskans Safe:** Addresses the safety measures Alaskans can take to mitigate the spread of COVID-19.
  - **Health Advisory 2 – International and Interstate Travel:** Alaska resident and non-resident travelers will no longer be required by the state to have pre-travel negative tests upon arrival. The existing airport testing infrastructure will remain in place to protect Alaskans and visitors alike. Anyone positive for COVID-19 is not allowed to travel.

- **Health Advisory 3 – Intrastate Travel:** Outlines expectations of communities for allowing travel of Critical Infrastructure personnel, as well as for community members and Critical Personal needs. The advisory recommends COVID testing three days prior to travel to locations on the road system and the Alaska Marine Highway System. For locations off the road system or not served by the Alaska Marine Highway System, a test is recommended for trips lasting longer than 72 hours before returning to a rural community.
- **Health Advisory 4 – Critical Infrastructure:** Provides guidance for Critical Infrastructure businesses operating in Alaska to protect both communities and industries.

## Other COVID News

- Following an Alaska Outdoor Council event in Palmer last weekend, both Governor Dunleavy and Representative Mike Cronk (*R-Tok*) tested positive for COVID-19. Five other legislators were in attendance. The governor is quarantining at home in the Mat-Su Valley, and is being monitored by his attending physician, as well as by Dr. Zink, the state's Chief Medical Officer.
- Following news of Representative Cronk's test result, House Speaker Louise Stutes cancelled in-person House committee meetings starting February 25, held a technical floor session only, and asked staff to work from home and avoid travel unless "absolutely necessary." Some Senate meetings were also canceled.

## Other Capitol News

- Representative Andy Josephson (*D-Anchorage*) introduced *House Bill No. 104* to increase the state taxes on motor fuel. His proposal increases the tax on fuel used on highways from 8 cents to 16 cents per gallon and by watercraft from 5 cents to 10 cents per gallon. Fuel used in vessels used for commercial fishing will qualify for a 5 cents per gallon rebate if the tax on the motor fuel is paid. The bill is scheduled for its first hearing in House Transportation on March 4.
- Governor Dunleavy recently said he will not approve any new taxes unless there is a statewide vote on one of his proposed constitutional amendments. *SJR 7* and *HJR 8* puts forth a constitutional amendment requiring a vote of the people to establish a new state tax. His proposal also requires legislative ratification of a new tax created by initiative. Constitutional amendments require approval by two-thirds of each legislative body and then a simple majority vote of the electorate. Note that Dunleavy's three constitutional amendments passed the first Senate committee this week.
- Alaska's plan to spend nearly \$50 million in CARES Act money on the fishing industry as pandemic relief has been approved by the federal government. Applicants must certify a greater than 35% loss in fishery revenues for the period of March 1, 2020 to November 30, 2020 as a direct result of the pandemic. The revenue loss will be based on a comparison of the average gross revenue for the same period for the prior five years (2015-2019). The plan provides specific allocations for those in commercial harvesting, aquaculture, seafood processing, sports fishing charters, and subsistence users. Click here to find specific details.
- The Senate Education Committee is nearing completion of consideration of legislation for a new, statewide K-3<sup>rd</sup> grade reading program. *Senate Bill No. 8* by Senator Tom Begich (*D-Anchorage*) and *Senate Bill No. 42* by Senator Shelley Hughes (*R-Wasilla*) propose different approaches. SB 8 also provides expanded support for pre-K programs in Alaska. These bills have been under consideration in previous sessions. The Begich bill was developed in concert with Governor Dunleavy last year and is known as the Alaska Reads Act. The bills head to Senate Finance next.

## Summary of State Legislation



Meet Henry, my newest associate!

Below is a list of legislative measures of interest, divided into six main topics: fiscal measures, general municipal issues, education measures, fishery & resource issues, energy matters, and election & voting issues. House measures are described first, followed by Senate measures. Companion bills (measures in both bodies) are listed together, with priority given to bills sponsored by majority members. More information about these measures can be found at [Alaska Municipal League Legislative Tracker](#) or [Alaska State Legislature](#).

Check out what your legislators are doing in Juneau! New bills are in **BLUE**, change in status in **RED**, and passed bills in **GREEN**.

## Fiscal Measures

Measure	Summary	Status
HJR 1 by Kreiss-Tomkins HJR 10 by Tuck SJR 1 by Wielechowski	Proposes a constitutional amendment to guarantee Permanent Fund dividends using a Percent of Market Value (POMV) method.	HJR 1 & HJR 10 referred STA, JUD and Finance SJR 1 scheduled Senate State Affairs 3/2
HB 9 by Hannan	Reimposes a state income tax and related changes. Exempts Permanent Fund dividends from proposed tax.	Referred State Affairs, Labor & Commerce and Finance
HB 37 by Wool	Proposes an 80/20 distribution of Permanent Fund earnings between general fund and dividends. Reimposes a state income tax.	Referred Community & Regional Affairs, State Affairs and Finance
HB 46 by Thompson	Establishes a state lottery and provides for participation in multi-state lotteries.	Referred State Affairs, Labor & Commerce and Finance
HB 57 by Josephson	Clarifies the mechanics and language of the budget reserve fund payback provision in the Constitution and which funds are subject to the "reverse sweep."	Referred Judiciary and Finance
SJR 5 by governor HJR 6 by governor	Proposes a constitutional amendment that creates a new appropriations limit or spending cap.	SJR 5 passed Senate State Affairs 2/23 HJR 6 referred House STA, Judiciary and Finance
SJR 6 by governor HJR 7 by governor	Proposes a constitutional amendment to enshrine the PF dividend in the Constitution. Requires subsequent vote by electorate to change the formula to determine dividend amount.	SJR 6 passed Senate State Affairs 2/23 HJR 7 referred House STA, Judiciary and Finance
SJR 7 by governor HJR 8 by governor	Proposes a constitutional amendment requiring a vote of the people to establish a new state tax. Requires legislative ratification of a new tax created by initiative.	SJR 7 passed Senate State Affairs 2/23 HJR 8 referred House STA, Judiciary and Finance
SB 13 by Begich	Proposes additional tax on oil and gas taxable property that may be appropriated to the Alaska capital income fund, municipalities for real property tax revenue lost, or the Alaska higher education investment fund.	Pending Community & Regional Affairs

Measure	Summary	Status
<b>SB 49 by governor</b> <b>HB 69 by governor</b>	<u>FY 2021 Operating Budget</u> : Provides flat funding for K-12, but no increase to counter COVID enrollment impacts. School debt reimbursement funded at 50%. Proposes nearly \$300 million in budget reductions.	SB 49 pending Senate FIN HB 69 scheduled House FIN 3/1, 3/2, 3/4
<b>SB 52 by governor</b> <b>HB 72 by governor</b>	Appropriates \$2 billion from the Permanent Fund ERA for payment of a full dividend in 2022.	SB 52 pending Senate FIN HB 72 referred House FIN
<b>SB 53 by governor</b> <b>HB 73 by governor</b>	Sets new PF dividend formula at 50% of 5% POMV distribution. Includes advisory vote on proposal.	SB 53 passed Senate STA 2/23; pending Senate JUD HB 73 referred STA, JUD and Finance

### *General Municipal Issues*

Measure	Summary	Status
<b>HJR 2 by Claman</b>	Proposes constitutional amendment to limit regular legislative sessions to ninety days.	Referred State Affairs, Judiciary and Finance
<b>HB 1 by Rauscher</b>	Proposes special audit of CARES Act funds for the community assistance program and grants to municipalities and communities.	Referred Community & Regional Affairs and Finance
<b>HB 17 by Josephson</b>	Expands duties of State Commission for Human Rights with new provisions prohibiting discrimination based on sexual orientation or gender identity. Applies to political subdivisions.	Referred State Affairs and Judiciary
<b>HB 31 by Ortiz</b>	Allows the state to observe daylight saving time throughout a calendar year. This change can only take effect if the US Congress amends federal law.	Referred State Affairs and Finance
<b>HB 55 by Josephson</b>	Allows firefighters and peace officers to join a defined benefit retirement plan. Establishes medical benefits eligibility requirements and payment for past service.	Referred State Affairs and Finance
<b>HB 63 by Stutes</b>	Establishes the Alaska Marine Highway System Corporation to manage AMHS using a nine-member board.	Referred Transportation and State Affairs
<b>HB 113/SB 93 by governor</b>	Establishes an all-payer health claims database (APCD) collecting health care claims data from a variety of health care payers, including insurers and providers.	Both referred Labor & Commerce, Health & Social Services and Finance
<b>SB 6 by Kawasaki</b>	Allows employers to adopt a retirement incentive program (RIP) for both TRS and PERS members of a defined benefit plan.	Pending Education
<b>SB 9 by Micciche</b>	Omnibus bill relating to the manufacture, distribution, bartering, licensing, possession and the sale of alcoholic beverages in Alaska. Provides that only the ABC Board may issue, renew, transfer, relocate, suspend or revoke a license under Title 4.	Scheduled L&C 3/3
<b>SB 15 by Costello</b>	Creates fine of up to \$1,000 for any elected or appointed official who knowingly violates the Open Meetings Act.	Heard and held Community & Regional Affairs 2/25

Measure	Summary	Status
<b>SB 26 by Wilson</b>	Repeals the certificate of need (CON) program for health care facilities.	Pending Health & Social Services
<b>SB 37 by Kiehl</b>	Allows teachers and other public employees a choice between a defined benefit pension versus the current defined contribution 401(k) plan.	Pending Labor & Commerce
<b>SB 41 by Hughes</b>	Omnibus health insurance reform bill titled "Alaska Health Care Consumer's Right to Shop Act." Includes provision to preempt municipalities from regulating disclosure and reporting of health care information.	Pending Labor & Commerce
<b>SB 46 by Gray-Jackson</b>	Makes municipal police officers subject to police standards, establishes central registry of officers with denied or revoked certificates, amends training of village public safety officers to require disability training, and requires the reporting of use-of-force by an officer.	Pending Community & Regional Affairs
<b>SB 54 by governor</b>	Authorizes the Alaska Housing Finance Corporation to issue bonds to finance water and sewer projects and matching funds for federal highway and aviation projects.	Scheduled L&C 3/3
<b>SB 55 by governor HB 75 by governor</b>	Requires state to pay full amount of normal and past service cost for all actively employed, defined contribution state PERS employees.	SB 55 scheduled L&C 3/3 HB 75 referred House L&C and Finance
<b>SB 56 by governor HB 76 by governor</b>	Extends COVID-19 public health emergency disaster declaration through September 2021. Latest version provides extension to March 15, 2021.	SB 56 pending Senate FIN HB 76 scheduled House HSS 3/2, 3/4
<b>SB 74 by governor HB 93 by governor</b>	Proposes \$356 million in general obligations bonds for numerous transportation and infrastructure projects.	SB 74 scheduled Senate Transportation 3/2 HB 93 referred House Finance
<b>SB 81 by Olson</b>	Requires background checks for Village Public Safety Officers (VPSO) and rewrites the VPSO statute.	Pending Community & Regional Affairs

## *Education Measures*

Measure	Summary	Status
<b>HB 15 by Thompson</b>	Requires issuance of a preliminary teacher certificate within 30 days for qualified active duty military members or spouses.	Referred Labor & Commerce and Education
<b>HB 18 by Kreiss-Tompkins</b>	Sets goal that by 2025 at least 4% of public school teachers will achieve national board certification. Requires schools display the name of these teachers.	Referred State Affairs and Education Scheduled State Affairs 3/2, 3/4
<b>HB 19 by Kreiss-Tompkins</b>	Expands scope of teacher certificates for teachers fluent in an Alaska Native or foreign language for a one-year period. Allows extension or renewal after one year.	Referred Education and Labor & Commerce
<b>HB 24 by Hopkins</b>	Requires larger school districts to give breaks to teachers who are nursing mothers and a location to express breast milk.	Referred Education and Labor & Commerce



Measure	Summary	Status
HB 25 by Hopkins	Requires Board of Education & Early Development to establish standards for social-emotional learning instruction.	Referred Education and State Affairs
HB 43 by Story SB 19 by Stevens	Provides an eight-year extension for the Special Education Service Agency.	HB 43 referred House Education and Finance SB 19 scheduled FIN 3/2
HB 47 by Story	Renames Alaska Native Language Preservation and Advisory Council and adds two seats.	Referred Tribal Affairs and State Affairs
HB 48 by Story	Expands eligibility requirements for the Alaska performance scholarship program.	Referred Education and Finance
HB 49 by Story	Proposes appropriation of \$20.225 million for early literacy programs in public schools.	Referred Education and Finance
HB 53 by McCarty	Requires a school district to consider children of active duty military or National Guard members as residents of its district.	Referred Military & Veteran Affairs and Education Scheduled MVA 3/4
HB 60 by Claman SB 80 by Gray-Jackson	Directs Board of Education & Early Development to develop guidelines for instruction in mental health in consultation with the HSS department.	HB 60 referred House Education and Finance SB 80 pending Senate EDU
HB 67 by Story	Proposes appropriation of \$20 million for K-12 public schools in response to COVID-19 impacts.	Referred Education and Finance
HB 108 by McCarty	Allows public secondary school students, over 14 years of age, to participate in concurrent vocational education, training, and on-the-job trade programs.	Referred Education, Labor & Commerce and Finance
HB 114/SB 94 by governor	Amends education and supplemental loan programs by clarifying residency eligibility requirements, eliminating loan maximums, and allowing for early repayment of consolidated loans.	HB 114 referred House Education SB 94 referred Senate EDU & FIN
SB 8 by Begich	Proposes statewide K-3 reading program and expands pre-elementary program for 4 & 5 year olds. Retention at grade 3 likely unless exempt by school board.	Scheduled Education 3/1
SB 16 by Begich	Requires annual report on equal pay for comparable work and increases minimum wage.	Pending Senate Labor & Commerce
SB 18 by Begich	Requires school districts to set policies regarding maximum class size for each grade. Creates a state class size reduction grant program	Pending Senate Education
SB 20 by Stevens	Amends requirements for teacher certification of out-of-state teachers. Requires only a valid teacher certificate from another state and eliminates need to pass competency exam.	Pending Senate Education
SB 30 by Begich	Requires coverage of colorectal cancer screening for retired TRS and PERS members.	Pending Health & Social Services
SB 32 by Stevens	Establishes new middle college program for public school students at U of A.	Pending Education
SB 34 by Stevens	Allows establishment of public schools through state-tribal compacts. Provides authority for creation of state-tribal compact schools and defines other requirements.	Pending Education
SB 42 by Hughes	Omnibus bill titled "Alaska Reading and Virtual Education Act." Provides for more stringent standards for Praxis tests and expands reporting on school district and employee performance.	Heard and held Education 2/15

Measure	Summary	Status
<a href="#">SB 58 by governor</a> <a href="#">HB 78 by governor</a>	Amends education foundation formula to count students in correspondence programs at 100% for ADM purposes and includes this count for all multipliers.	<a href="#">SB 58 pending Senate EDU</a> <a href="#">HB 78 referred House Education and Finance</a>
<a href="#">SB 72 by Stevens</a>	Adds civics exam requirement to graduate from secondary school. Requires a score of at least 60%.	<a href="#">Pending Education</a>

## *Fishery & Resources Issues*

Measure	Summary	Status
<a href="#">HB 26 by Stutes</a>	Allows members of the Board of Game or Fisheries to deliberate and participate on certain matters even if they or an immediate family member have a personal or financial interest.	<a href="#">Referred House Fisheries and Resources</a>
<a href="#">HB 28 by Stutes</a>	Exempts commercial fishing vessels with valid licenses from numbering and registration provisions.	<a href="#">Referred House Fisheries and Finance</a>
<a href="#">HB 41 by Ortiz</a> <a href="#">SB 64 by Stevens</a>	Relates to management of enhanced stocks of shellfish, authorizes certain nonprofits to engage in shellfish enhancement projects, and increases salmon hatchery permit fees from \$100 to \$1000.	<a href="#">HB 41 referred House Fisheries and Finance</a> <a href="#">SB 64 pending Senate Resources</a>
<a href="#">HB 50 by Josephson</a>	Authorizes municipalities to regulate trapping to prevent injury to persons or property.	<a href="#">Referred House Resources and Judiciary</a>
<a href="#">HB 64 by Stutes</a>	Proposes regional associations to encourage new fisheries, modeled after SE AK Regional Dive Fisheries Association. Members self-assess tax to fund surveys.	<a href="#">Referred House Fisheries and Finance</a>
<a href="#">HB 65 by Stutes</a>	Allows Board of Fisheries/Board of Game unconfirmed appointees to vote if the legislature has been unable to meet during a regular legislative session for confirmations and the appointee is approved by a majority of each body using a poll.	<a href="#">Referred House Fisheries, Resources and Judiciary</a>
<a href="#">SB 29 by Micciche</a>	Establishes Cook Inlet buy-back program for set net entry permits and provides for a vote by permit holders whether to be included. Broadens CFEC authority to establish management areas.	<a href="#">Scheduled Resources 3/3</a>
<a href="#">SB 33 by Stevens</a>	Add pollock and cod to the product development tax credit up to 50% of the taxpayer's tax liability. Extends date to take credit for property first placed into service by Dec. 31, 2025.	<a href="#">Pending Resources</a>
<a href="#">SB 44 by Kawasaki</a>	Requires Board of Fish to place restrictions on other fisheries before restricting personal use fisheries, except when the harvest of a stock or species is limited to achieve a management goal.	<a href="#">Pending Resources</a>

## *Energy Matters*

Measure	Summary	Status
<b>HB 56 by Foster</b>	Restructures the Power Cost Equalization (PCE) program process to allow direct PCE payments without further appropriations. Mandates annual appropriation out of the fund to make eligible PCE payments.	Referred House Community & Regional Affairs and Finance
<b>SB 17 by Begich</b>	Provides funding to conduct energy audits, improve energy efficiency in public buildings (including public schools), and creates a “rapid economic recovery office” to oversee related audits and projects.	Pending Community & Regional Affairs
<b>SB 69 by Revak</b>	Exempts from regulation certain public plants generating electricity from renewable energy.	Scheduled L&C 3/3

## *Election & Voting Issues*

Measure	Summary	Status
<b>HB 23 by Rauscher</b>	Omnibus voting measure that modifies PFD registration provisions adopted by initiative in 2016. Other provisions will likely result in restricted access to voting in certain cases.	Referred State Affairs, Judiciary and Finance
<b>HB 39 by Hopkins</b>	Allows pre-registration to vote for minors at least 16 years of age.	Referred State Affairs and Judiciary
<b>HB 66 by Tuck</b>	Omnibus voting bill allowing same-day registration, ballot curing, increased pay for poll workers and earlier absentee ballot counting.	Referred State Affairs and Judiciary
<b>SB 39 by Shower</b>	Omnibus voting measure that requires voters to opt into registration as a PFD applicant. Reimposes witness signature verification immediately after an emergency. Reduces state & municipal vote-by-mail authority.	Heard & held Senate State Affairs 2/25
<b>SB 43 by Hughes</b>	Prohibits anonymous donations to ballot measure campaigns and amends process to assist completion of an absentee ballot. Draft CS limits bill to campaign finance piece.	Passed STA 2/16 Scheduled Judiciary 3/1
<b>SB 82 by governor</b> <b>HB 95 by governor</b>	Adds new authority for Attorney General to investigate alleged election violations as a civil matter and allows fines up to \$25,000 per violation.	SB 82 Scheduled JUD 3/1 HB 95 referred STA, Judiciary and Finance
<b>SB 83 by governor</b> <b>HB 96 by governor</b>	Omnibus elections bill to limit vote by mail to smaller communities (750 or less) and increase voter verification for absentee ballots. Includes many features contained in <i>HB 11</i> , <i>SB 39</i> and introduced version of <i>SB 43</i> .	SB 83 scheduled Senate State Affairs 3/2 HB 96 referred House STA, Judiciary and Finance