

# 2017 CAPITOL CURRENTS

30<sup>th</sup> Alaska State Legislature ~ 1<sup>st</sup> Session

13th Edition – 4/9 to 4/16/17

## Session Continues On

### HIGHLIGHTS

Senate President Pete Kelly said the Senate is willing to stay beyond the scheduled end of the session on Sunday to work on bills related to the long-term budget, or that are time-sensitive or critical.

Kelly wrote in a letter to the House Speaker on Wednesday that the Senate majority wants to focus on a limited number of bills, other than the budget and Permanent Fund measures.

Budget-related bills include a [motor-fuel tax](#), freezing state worker pay, and [changes to education](#). Other bills would make driver's licenses comply with the federal [REAL ID](#) Act, amend last year's [criminal justice overhaul](#), and address [the opioid crisis](#).

Alaska's Legislature is on pace to pass fewer bills than in any other session in the state's history-which is not a bad thing.

There are several issues that separate the two chambers.

The House passed [its version](#) of the bill to reduce Permanent Fund dividends and draw money from fund earnings on Wednesday. The bill wouldn't go into effect unless the Legislature reintroduces an income tax and raises oil and gas taxes.

The Senate majority doesn't want an income tax. Senators say lower spending and an improved revenue outlook mean the state can balance the budget without an income tax.

The House majority sees an income tax as part of a comprehensive package to address the fiscal crisis. House members say new taxes are needed to close the \$2.7 billion gap between what the state government spends and what it raises

The House majority is seeking higher PFDs than the Senate.

Senators are interested in eliminating some oil and gas tax credits, but they don't want the House's increase to the industry's taxes.

The Senate is seeking to lower the state limit on spending. The House isn't. The House Majority said the Senate plan balances the budget on the backs of those least able to afford it.

Lawmakers plan to work through the weekend, although some of their aides will leave Juneau as the 90<sup>th</sup> day comes and goes.

The Alaska Constitution mandates that the session must end by May 17.

## **BUDGET ISSUES**

In a rare move, House Speaker Edgmon stepped down from the podium to speak in favor of a tax on income to fund education.

Rep. Edgmon said the Education Funding Act, [House Bill 115](#), is needed to prevent rural communities from suffering. The House passed the bill, 22-17.

The bill would bring a state income tax to Alaska for the first time in 37 years. A single person with no children earning \$40,000 a year would pay \$617 under the tax. A married couple with two children and \$100,000 in income would pay \$1,483.

## **NEW BILLS OF INTEREST**

<http://www.akleg.gov>

### **Health Care Issues**

**HJR 20 / Parish - MEDICAID EXPANSION**

**SB 112 / Giessel - WORKERS COMPENSATION; DRUG DATABASE & TEST**

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### **Election/Voter Issues**

**SB 113 / Stevens - CONVENING/DURATION REG. LEGIS SESSIONS**

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### **Public Safety Issues**

**HB 226 / Ortiz - ENDANGERING WELFARE CRIME: CHILD IN CAGE**

## **BILLS ON THE MOVE**

### **HOUSE COMMITTEE OR FLOOR ACTION**

**[CSHB 9\(L&C\)](#) / Pharmacy Board and Employees; Drug Distributor; Manufacturer**

**Passed from L&C on 4/11; referred to FIN**

Authorizes the Board of Pharmacy to license and inspect out of state wholesale drug distributors and outsourcing facilities. Because of federal law enacted in November of 2013, this mandates regulation for licensing of wholesale drug distributors within a strict timeframe.

**[CSHB 127\(FIN\)](#) / Criminal Convictions Overturned: Receive Past PFD**

**Passed from FIN on 4/14 now in RLS** - If a past criminal conviction has been vacated, reversed, or dismissed for an individual, the person can apply within one year of the court decision and is eligible to receive the permanent fund dividend for each year the individual was ineligible.

**[CSHB 164\(HSS\)](#) / Protect: Vulnerable Adults/Long Term Care**

**Referred to Finance and scheduled for a hearing on 4/20**

Companion is SB 83. Certain provisions of the reporting requirements for the protection of vulnerable adults is amended to include alignment with the Older Americans Act of 1965. It also allows the Ombudsman to disclose a person's identity for purposes of making a referral to an agency under certain conditions. It also clarifies where reports of harm are to be lodged within DHSS.

**[CSHCR 1\(STA\)](#) / Amend Uniform Rules: Abstain from Voting**

**Failed on House Floor 4/10 by a vote of 21-19**

The resolution would change the standard from unanimous consent to a majority vote when a member seeks to abstain from voting due to a substantial conflict of interest.

**SB 32 / Prescriptions for Biological Products**

<Passed Senate on 4/4>

Moved from House HSS on 4/13; referred to FIN.

It allows a pharmacist to substitute an FDA-approved interchangeable biosimilar for a prescribed originator biologic without first seeking approval from the physician. Once the item is dispensed, the pharmacist must communicate within a certain time to the physician that the biologic was dispersed.

**CSSB 63(FIN) / Regulation of Smoking**

<Passed Senate on 3/27>

Scheduled in House C&RA on 4/18.

Prohibits smoking in certain places, including specified enclosed areas and at or near specified outdoor areas; provides limited exceptions to the smoking prohibitions for retail tobacco and e-cigarette stores, for enclosed, marked, and vented transit areas, for private residences, for specified vehicles and vessels, for stand-alone shelters and for licensed marijuana establishments; requires notices of smoking prohibitions and fines; prohibits employers and building owners or managers from permitting smoking or supplying smoking accessories in place where it is prohibited; prohibits an employer, or owner or operator of a vehicle from retaliating for initiating or cooperating with enforcement of the Act; allows a municipality to impose additional smoking restrictions and duties.

**SENATE COMMITTEE OR FLOOR ACTION**

**CSSB 6(JUD) / Industrial Hemp Production**

Passed Senate on 4/10; referred to FIN in the House.

Classifies Industrial Hemp as an agricultural crop in Alaska; lists criteria under which a person may register to produce it; lists conditions under which hemp seeds and reconditioned hemp may be kept; authorizes the Division of Agriculture to create regulations; defines industrial hemp to mean the plant Cannabis Sativa containing less than 0.3 percent delta-9 tetrahydrocannabinol (THC); removes it from the list of controlled substances and removes it from marijuana definitions

**CSSB 55(FIN) / Omnibus Crime and Corrections**

<Passed Senate on 4/3>

Moved from HJUD on 4/13; held in RLS.

Clarifies and amends the following sections to the criminal justice codes. Marijuana penalties, victim notification, probation term lengths, administrative license revocations, referral for minor consuming, removing inflation adjustments, data reporting, and other minor and technical changes.

**CSSB 83(HSS) / Protect: Vulnerable Adults/Long Term Care**

Passed Senate Floor 4/15; scheduled in H FIN 4/20.

Amends provisions of Title 47 to ensure alignment of the Office of the Long Term Care Ombudsman with the Older Americans Act in U.S. Code. This clarifies that the Ombudsman may only disclose a report of abuse or neglect in an older Alaskan if they have the consent of the vulnerable adult to do so. It also clarifies other responsibilities that DHSS has to investigate all reports of harm and may transfer those to the Ombudsman for additional assistance. Additionally, the Ombudsman in these proposed amendments would be allowed to disclose a person's identity for purposes of making a referral to an agency if the person is unable to provide consent.

**SB 102 / Internet for Schools; Funding**

Moved from FIN on 4/14; sitting in RLS.

Directs money from the higher education fund to increase the amount of Broadband Assistance Grants (BAG) that the state can pay to school districts and will allow schools the flexibility to direct additional dollars to the classroom.

**CSSB 103(FIN) / Education Grants-Scholarship; Innovative Education Fund**

CS moved from FIN on 4/14.

The current Alaska Performance Scholarships and the Alaska Education Grants will be phased out over the next four years. The Higher Education Fund will be renamed to The Alaska Innovation Education Grant Fund. The purpose is to provide school districts with grants to fulfill academically innovative ways of delivering education.

**CSSB 104(FIN) / Education Curriculum**

CS moved from FIN 4/14.

Provides all school districts with a three year reprieve from having to update or renew any curriculum. Allows the State Board of Education to approve the curriculum from the largest five school districts and of two rural school districts and allow that curriculum to be used by all school districts on a voluntary basis for three years.

**SCR 5 / Alaska Reads Day**

CS moved from EDC on 4/12.

Proclaims March 2, 2018 as Alaska Reads Day. The hope is to create awareness for early literacy.

**SCSCSHB 49(L&C) / Extend Board of Direct-Entry Midwives**

<Passed House on 4/7>

Moved from Senate FIN on 4/14; sitting in RLS.

Extends the Board of Direct-Entry Midwives through June 30, 2023.

**HB 78 / Indigenous Peoples Day**

<Passed House on 2/3>

Moved from Senate STA on 4/14; sitting in RLS.

Establishes the second Monday of October of each year as Indigenous Peoples Day.

**HB 86 / Student Loan Default/Occupational License Renewal**

<Passed House on 3/29>

Moved from Senate EDC on 4/14; referred to L&C.

House Bill 86 repeals current statutes that allow the Alaska Commission on Postsecondary Education (ACPE) to threaten nonrenewal of occupational licenses for individuals who have defaulted on their student loans. Affected occupations include licenses for nurses, pharmacists, social workers, veterinarians, dentists, attorneys, teachers (k12), EMS workers, and correctional officers.

**HJR 14/FCC: Increase Rural Health Care Budget**

<Passed House on 4/5>

Moved from Senate HSS on 4/15; sitting in RLS.

Urges the FCC to increase the Rural Health Care Program budget to ensure that rural communities in the state continue to have access to affordable broadband telehealth services.

**COMMITTEE HEARINGS**

***Check the Daily Schedule at night for the next day's hearings.***

***NOTE: The 24-Hour rule may go in effect this week.***

***Hearings only have to be announced the day before a committee meets.***

**~ End of Report ~**

Contact: Caren Robinson ([carenr@gci.net](mailto:carenr@gci.net))