

**City of Dillingham**  
**House District 37 / Senate District S**

~ 5/26/2021 ~

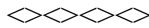
( Day 128 )

***32<sup>nd</sup> Alaska State Legislature ~ 1<sup>st</sup> Special Session***

**May 2021 – LEGISLATIVE REPORT**

*Cliff Stone / City Lobbyist*

***~ Legislature goes into extra innings to work out the operating budget for Alaska ~***



On the 121st day (May 19th) of the 32nd Legislature, **HB 69** (FY22 Operating Budget) passed the Senate by a vote of 17-3. The bill then was transmitted back to the House for concurrence.

This version of the bill authorizes 4.43 billion in state unrestricted general funds for the upcoming fiscal year 2022 operating expenses and \$274.6 million for next year's capital budget, which leverages nearly \$1.9 billion in federal funds for roads, bridges, and other infrastructure.

With more than \$10 billion in the Permanent Fund's spendable portion, the Senate voted to transfer \$4 billion into the fund's principal account, which cannot be spent without amending the state constitution. They also approved an approximately \$2,300 PFD. That amount is unlikely to pass out of a House that has been focused on a sustainable and responsible PFD in correlation to the Permanent Fund structure itself.

Knowing the Legislature was not going to finish on the Constitutional 121st day, Alaska Governor Mike Dunleavy issued a proclamation calling the Alaska Legislature into a 30-day special session beginning May 20<sup>th</sup> to complete work on the FY22 budget and to act on his constitutional amendment protecting the Permanent Fund, Permanent Fund Dividend (PFD), and power cost equalization (PCE).

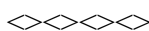
The first special session began on May 20<sup>th</sup> and directs work on three topics:

- FY22 Operating Budget & Mental Health Budget (HB 69/HB 71)
- FY22 Permanent Fund Dividend (HB 72/SB 52)
- Constitutional Amendment protecting the Permanent Fund, PFD, and PCE (SJR 6/HJR 7)

The governor also set a second special session to address other elements of a comprehensive state fiscal plan including a constitutional spending limit, consideration of new revenue measures, a prohibition on new taxes without voter approval, and appropriations of federal American Rescue Plan (ARP) Act funds.

The second special session would start at 10:00am on August 2, 2021 and directs work on four topics:

- Constitutional Amendment to establish an appropriation limit (HJR 6/ SJR 5)
- Constitutional Amendment to prohibit new state taxes without voter approval (HJR 8/ SJR 7)
- Appropriations of federal relief funds, including ARP funds
- Potential measures to increase state revenues



## AML NEWS

*Note: This news also came to you in a separate email from AML.* Treasury has released its guidance that relates to non-entitlement units - this is all cities in Alaska, except for Anchorage and Fairbanks. See below for all the relevant links. We've updated this spreadsheet to include a calculation for all recipients - this should be about right, according to their formula. See here for our [Funding Calculation](#) for Alaska cities.

The State of Alaska - DCRA - will be charged with distributing these funds. We should expect a process from them that conforms to Treasury Guidance. It will include the following requirements, which you can begin preparing for:

- Treasury's **Terms and Conditions** are fairly clear here - [Award Terms and Conditions for Non-entitlement Units of Local Government](#)
- **Compliance with Civil Rights Act** of 1964 - need authorized representative to sign - [Assurances of Compliance with Title VI of the Civil Rights Act of 1964](#)
- If you don't have a SAM account, this will be something to work toward - don't worry, AML can help you with this.

You will need this basic information, as well:

- Local government name, Entity's Taxpayer Identification Number, DUNS number, and address
- Authorized representative name, title, and email
- Contact person name, title, phone, and email
- Financial institution information (e.g., routing and account number, financial institution name and contact information)
- **Total city budget** (defined as the annual total operating budget, including general fund and other funds, in effect as of January 27, 2020) or top-line expenditure total

The big difference between this and CARES Act funding is that you are the "prime recipient" - this means you will be complying with and reporting directly to Treasury. AML has staff that we've dedicated to supporting you in this, which some members may not need but we're glad to be able to offer if you do.

AML will host a webinar in the next week or so to walk through the Terms and Conditions document, and cover all compliance issues. We'll work with our legal counsel and accounting partners to deliver this technical presentation.

If you have questions for now, AML coordination is being led by Dawn Wesley ([dawn@akml.org](mailto:dawn@akml.org)) and Lisa Fisher ([lisaf@akml.org](mailto:lisaf@akml.org)).

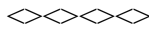
### [Click here for NEU Guidance from Treasury.](#)

1. [See checklist for NEUs to prepare](#)
2. [Calculations are population based on all NEUs population in the state](#) (see "List of Local Governments" and divide your population by total NEU population in the state. Multiply that factor by [total allocation to the state for NEU](#))
3. [See methodology information here](#)
4. [States have been advised to create a process for submission](#)

More information for you:

- [Guidance on Distribution of Funds to Non-entitlement Units of Local Government](#)
- [Non-entitlement Unit of Local Government Definitional and Data Methodology](#)
- [Interim Final Rule](#)
- [FAQs](#)
- [Non-entitlement Unit of Local Government Checklist for Requesting Initial Payment](#)

Separately, NACo has provided this useful analysis of Treasury's guidance for CSLFRF - this is directly applicable to all boroughs, but is just as relevant for cities as far as eligible expenditures go.



## **BILLS OF INTEREST**

The following bills are highlighted as items of interest for your community. I will follow these more closely as the session proceeds. The House has introduced 221 bills to date and various resolutions. The latest count for the Senate is 142 bills and a variety of resolutions. See “Budget Bills” highlighted later in this report. As in the past, if you see a bill that you want tracked, I will be happy to do so and report accordingly.

**HB 1 – Audit of CARES Act Funds**

**HB 4 – COVID-19 related**

**HB 37 – Income Tax, PF, and ERA**

**HB 55 – PERS related/Peace officers and Firefighters**

**HB 56 – Power Cost Equalization (PCE)**

**HB 73 / SB 53 – PF Advisory Vote**

**HB 75 / SB 55 – Employer Contributions to PERS**

**HB 76 – Extending the COVID-19 Disaster Emergency**

**HB 123 – State Recognition of Tribes**

**HB 188 – Seafood Product Development Tax Credit**

**HB 220 – Retirement Systems: Defined Benefit Option**

**SB 6 – PERS/TRS Retirement Incentives**

**SB 37 – PERS/TRS Retirement Plans**

**SB 56 – Extending the COVID-19 Disaster Emergency**

**SB 81 – VPSO Program – Grants**

**SB 93 – Health Insurance: All-Payer Claims Database**

**SB 108 – State Recognition of Tribes**

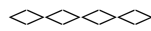
**SB 130 – Electronic Pull-tab Games**

**SB 130/HB 204 – Workers Comp for Fire Fighters**

**SJR 10 – Constitutional Amendment: In Person Public Education**

**SR 2 – COVID-19 Emergency Declaration**

Be sure to check out the latest Legislative Updates from the Alaska Municipal League (AML). I try not to repeat any information that is presented there. It is an excellent source of the bills and topic matters that are important to towns and villages all across Alaska. If you haven't registered for Legislative Updates for AML Members meetings, you may be able to [use this link for Zoom](#); or dial in by calling +1 253 215 8782 - Meeting ID: 881 8150 7680 Passcode: 449972.



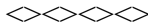
## **BUDGET BILLS 2021**

For a handy reference, below are the budget-type bills that have been introduced so far this year. They will be considered through out this first session. Currently many of these bills are being considered in the respective Finance Committees. Other bills have been assigned to various other committees. *Please note that HB 93 and its companion SB 74 as drafted by the governor, does not contain any monies for your breakwater or harbor projects. The only avenue to have these projects inserted into the bills for consideration is up to your representatives – Senator Hoffman and Rep. Edgmon.*

- **HB 68 / SB 48 – Supplemental Appropriations (FY21)**
- **HB 69 / SB 49 – FY22 Operating Budget**
- **HB 70 / SB 50 – FY22 Capital Budget with reappropriations and making supplemental appropriations**
- **HB 71 / SB 51 – FY22 Mental Health Budget**
- **HB 84 / SB 68 – FY22 Supplemental, Reappropriations, and Appropriations from the CBR**
- **HB 72 / SB 52 – Appropriation from the ERA for payment of the PFD**
- **HB 37 – Income Tax, PF Earnings Reserves**
- **HB 57 – CBR Sweep Provisions**
- **HB 67 – K-12 Appropriation for Academic Recovery from COVID-19**
- **HB 92 – Revenue Anticipation, Borrowing and Credit**
- **HB 93 / SB 74 – G.O. Bonds: State Infrastructure Projects**
- **HB 141 – Appropriation Limit; Government Budget**
- **HB 165 – Appropriations: Earnings Reserve to Permanent Fund**
- **HB 169 – Appropriations: Education and Pupil Transportation**
- **HB 181 – Appropriations: Special American Rescue Plan Act**
- **HB 197 – Appropriations: ERA for Payment of PFD**
- **HB 202 – PFD: Royalties**
- **HB 214 – Income Tax**
  
- **HJR 1 – Constitutional Amendment: Permanent Fund, POMV, and Earnings**
- **HJR 6 / SJR 5 – Constitutional Amendment: Budget Reserve Appropriation Limit**
- **HJR 7 / SJR 6 – Constitutional Amendment: Permanent Fund and PFD's**
- **HJR 8 / SJR 7 – Constitutional Amendment: State Tax Voter Approval**
- **HJR 10 – Constitutional Amendment: Permanent Fund and POMV and Dividend**
- **HJR 10 – Constitutional Amendment: Permanent Fund and ERA**
  
- **SB 100 – State Income Tax**
- **SB 102 – Amend Compact for a Balanced Budget**
- **SB 128 – Appropriations: Special American Rescue Plan Act**

*Create Your Own Budget for the State of Alaska*

Commonwealth North has created an **online tool** that allows Alaskans to modify most aspects of Alaska’s budget, so revenues match up with expenses. As many of you know, Alaska is at a budget crossroads, and difficult decisions must be made to preserve essential services and ensure Alaska remains a vibrant and successful place to live, work and play. While the tool isn’t perfect, I think users will gain a deeper insight into our state budget and get an idea how budget cuts, taxes and investments in state services impact our bottom line. In case the link above doesn’t work: <https://www.akbudget.com/>



**COVID-19**

Commending Alaskans’ efforts to mitigate the spread of COVID-19, Governor Dunleavy announced the statewide COVID-19 14-day average case rate has dropped from a classified “high” to an “intermediate” level, with 9.95 cases per 100,000.

The rolling 14-day average case rate has been an important metric for monitoring COVID-19. This is monitored in three categories:

1. Low/ Yellow = 0-5 daily cases per 100,000
2. Intermediate/ Orange = 5-10 daily cases per 100,000
3. High/ Red = greater than 10 cases per 100,000

For the latest information on COVID-19 in Alaska, [click here](#).

In addition, the governor also issued [Administrative Order No. 321](#) stating that the State of Alaska will not require vaccine passports in order to travel to, or around, Alaska.

The following state resources can be helpful for getting the vaccine. Use Alaska’s [PrepMod website](#) to book online or use the [Vaccine Providers List](#) to call the providers in your community directly.

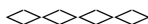
For scheduling or information about COVID-19 vaccine in Alaska: [www.covidvax.alaska.gov](http://www.covidvax.alaska.gov)

If you need assistance to book your appointment, call Vaccine Scheduling Call Center at 907-646-3322.

A handy reference tool that everyone can access is the state’s “Vaccine Updates” signup at the following: <https://public.govdelivery.com/accounts/AKDHSS/signup/16046>

As I posted in the past few months, if you or anybody in the community suspects they’ve been a target of fraudulent information or requests regarding COVID-19 vaccines, they should **notify the Medicare Information Office at [hss.medicare@alaska.gov](mailto:hss.medicare@alaska.gov) via email or call 1-800-478-6065 immediately!**

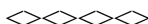
**REMEMBER – COVID VACCINES are FREE.**



**GOVERNOR'S CORNER** <http://gov.alaska.gov>

***Handy phone numbers for Governor’s offices: Anchorage: 907-269-7450 and Juneau: 907-465-3500***

The Governor followed through and signed a proclamation ending the State of Alaska COVID-19 Disaster Declaration. He took immediate action following the signing of House Bill 76, legislation that ensures the continuation of COVID-19 federal relief to impacted Alaskans and liability protections for Alaska businesses.



## TESTIFYING

If you are planning to testify on any particular bill or subject matter, check the committee calendar the day of or the day before the scheduled hearing as sometimes a bill is rescheduled or cancelled at the last minute. You should also be able to ascertain if they are even accepting public testimony on any particular day. If you can't attend a hearing at your local LIO you can participate by using the following numbers.

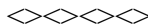
The **toll-free number** can only be used if you have had prior approval to call in from the appropriate committee chair. That number will be distributed upon your request and subsequent approval.

**In Juneau the number is: (907) 463-5009.**

Go to: <http://www.akleg.gov/basis/start.asp> for a complete description of a bill that is up in committee. Fiscal notes and other documents that the legislative office has posted in regards to that particular bill should also be available. Type in the appropriate bill/resolution number in the space provided. *Remember – Bills that have already been heard or previous scheduled in committee can come back before that body without prior notification.*

**Live on the Web** [ [www.360north.org](http://www.360north.org) ]

Most committee hearings can be seen and heard on Gavel Alaska/360 North on the web or look for Cable Channel-18 in Juneau. You can also access schedules, various programs, and online archives from the website above. *Note: With COVID-19 restrictions, Gavel Alaska may not be broadcasting as normal. You might have to go to the following website: [www.alaskalegislature.TV](http://www.alaskalegislature.TV)*



## WEBSITES OF INTEREST

**! COVID-19 ~ Information ! / <https://covid19.alaska.gov>**

In Alaska, a COVID-19 Help Line has been set up at **211** or dial: 1-800-478-2221

**During the COVID-19 public health emergency, the Capitol is closed to the public. To reach your legislator, please find Senate contact information [here](#) and House of Representatives contact information [here](#). For the latest COVID-19 information, please visit the [Alaska Department of Health & Social Services](#).**

Schools can get more help at: [aksmartstart2020@alaska.gov](mailto:aksmartstart2020@alaska.gov)

\* U.S. REAL ID Compliant license – deadline extended to **October 1, 2021**.

- <http://doa.alaska.gov/dmv/>

**Online Public Notices for Alaska** <https://aws.state.ak.us/OnlinePublicNotices/default.aspx>

**2021 Alaska Legislature Publications List** <http://akleg.gov/publications.php>

**2021 1<sup>st</sup> Session Staff Contacts** <http://akleg.gov/docs/pdf/Legislator-Staff-List.pdf>

**2021 Legislators by District** <http://akleg.gov/docs/pdf/Legislator-by-District.pdf>

**2021 House/Senate Committees** <http://akleg.gov/docs/pdf/commlist.pdf>

**2021 Senate Finance Subcommittee** <http://akleg.gov/docs/pdf/SFINSubcmte21.pdf>

**2021 Legislature Photo Sheet** <http://akleg.gov/docs/pdf/Legislator-Photo-Sheet.pdf>

Representative Bryce Edgmon: 907-465-4451 // Senator Lyman Hoffman: 907-465-4453

**Congressional Delegation websites**

<http://murkowski.senate.gov/public>

[www.sullivan.senate.gov](http://www.sullivan.senate.gov)

<http://donyoung.house.gov>

**DC Phone Nr**

Murkowski: 202-224-6665

**DC Phone Nr**

Sullivan: 202-224-3004

**DC Phone Nr**

Young: 202-225-5765

**Anchorage Phone Nr**

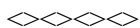
Murkowski: 907-271-3735

**Anchorage Phone Nr**

Sullivan: 907-271-5915

**Anchorage Phone Nr**

Young: 907-271-5978



~ End Report ~

*Enjoy your family and friends while staying safe and strong! ~ Cliff*