

## Legislative Report

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From Dianne Blumer <dianneblumer@gmail.com>

Date Sat 1/24/2026 8:19 PM

To Jackie Wilde <jwilde@whittieralaska.gov>

Cc City Clerk <cityclerk@whittieralaska.gov>

 2 attachments (483 KB)

Report-2026-01-25-11.pdf; HearingReport-12.pdf;

I have purchased a new system for reporting and bill tracking so things will look a bit different. Please give me some grace as I work to incorporate the bill tracking with the upcoming hearing report. At this time, they will both be attached reports to this email.

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The legislature gaveled in to start the second session of the 34<sup>th</sup> legislature on Tuesday. Lawmakers quickly got down to business as they race the clock to pass legislation before the May 20, deadline. Any bills that do not pass this session must start all over in 2027.

On the third day of the Alaska Legislature's 2026 session, lawmakers convened in a joint session to consider an override of Governor Dunleavy's veto on Senate Bill 113, also known informally as the "Etsy Tax" or "Netflix Tax." The override attempt ultimately failed with a vote tally of 35 in favor and 25 against.

SB 113 was sponsored by Senator Bill Wielechowski and aimed to modernize Alaska's tax structure for digital and internet-based businesses that generate revenue from Alaskan consumers without a physical presence in the state. The bill had previously passed with broad bipartisan support but was vetoed by the governor.

On Thursday, Governor Dunleavy delivered his eighth and final State of the State address to the Alaska Legislature, outlining several key priorities:

The governor emphasized the need for a sustainable fiscal framework to address the state's budget challenges. He expressed optimism regarding the anticipated groundbreaking of the natural gas pipeline project within the year. However, concerns have been raised about several matters, including cost, financing and local governments sacrificing property tax revenue to facilitate this initiative.

Dunleavy reiterated his commitment to charter school reforms and expressed a desire for improved funding for educational initiatives, especially in reading intervention and career and technical education (CTE).

The Governor's tone was notably positive compared to previous addresses, though he acknowledged the fiscal challenges ahead.

Both Governor Dunleavy and legislative leaders highlighted a shared belief in Alaska's potential for a bright future. Nevertheless, they recognized the necessity for careful consideration of upcoming decisions to improve government efficiency and effectively address budgetary constraints.

In summary, as the 2026 session progresses, the dynamics of budgetary discussions, tax legislation, and resource development will continue to shape the priorities and actions of Alaska's lawmakers. Both challenges and opportunities lie ahead.

[Bill tracking Report](#)

[Hearing Schedule](#)