



**Strengthening Alaska  
Municipalities Through  
Advocacy & Education**

Legislative Bulletin # 30-2

January 27, 2017

**In this issue:**

- Legislative Committee Meeting Schedules
- Bills on the Move
- Bills Introduced

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## Legislative Information

The purpose of this newsletter is to help each and every one of you keep up with the legislation that could potentially have a positive or negative impact on your municipality. If you have any questions about any bills, please call us at the AML office. If you hear about legislation that we have missed, please let us know. Sometimes, with the huge flurry of issues, we might miss something.

## Legislative Committee Meeting Schedule

The following list of committee meetings address issues and bills important to Municipalities for the upcoming week. For a complete list of bills visit the [BASIS](#) website. Most of the meetings are teleconferenced. It is best to go through your local LIO office to testify:

### **Monday, January 30, 2017**

### **Tuesday, January 31, 2017**

1:30 p.m. – [HB 60](#) – Motor Fuel Tax; Transportation Maint. Fund – House  
Transportation-Barnes 124

3:30 p.m. – [SB 1](#) Approp: 2016 PFD Supplemental Payment - Senate State Affairs –  
Butrovich 205

[SB 2](#)- 2016 PFD Supplemental Payment – Senate State Affairs –  
Butrovich 205

### **Wednesday, February 1, 2017**

1:30 p.m. – [HB 23](#) – Ins. For Depends. Of Deceased Fire/Police – House Finance –  
House Finance 519

1:30 p.m. - Implementation Overviews of Senate Bill 91 – Senate Judiciary – Beltz 105

3:30 p.m. - [SB 3](#) - Small Vessel Wastewater Exemption; 1%ART – Senate Resources-  
Butrovich 25

### **Thursday, February 2, 2017**

9:00 a.m. – Presentation: PERS & TRS Overview– Senate Finance –Senate Finance 532

1:30 p.m. - [HB 51](#) - Small Vessel Wastewater Exemption- House Transportation- Barnes 124

1:30 p.m.- [HB 61](#) – Permanent Fund: Income; POMV; Dividends – House Finance – House Finance 519

1:30 p.m. - [SB 14](#) – Transportation Network Companies – Senate Labor & Commerce – Beltz 105

3:30 p.m. - [SB 21](#)- Permanent Fund: Income; POMV; Dividends

### **Friday, February 3, 2017**

1:30 p.m. – [HB 61](#) – Permanent Fund: Income; POMV; Dividends – House Finance – House Finance 519

In order to testify at any of the above hearings, please either go to an LIO, if you have one close to you, or call the nearest LIO OR the LIO in Juneau (907) 465-4648. If you have trouble getting through, please let us know. We will continue to push on this issue until we are confident that all Alaskans are able to take part in the Legislative process.

## **Bills on the Move**

**[HB 42](#) – An Act relating to seizure of property; relating to forfeiture to the state; relating to criminal law; amending Rules 3,4,11,12,16,32,32.2,32.3,39,39.1,and 42, Alaska Rules of Criminal Procedure, Rules 501, 801, and 803, Alaska Rules of Evidence, and Rules 202, 209, and 217, Alaska Rules of Appellate Procedure; and providing for an effective date.**

This bill was heard in House Judiciary on Monday, 01/23 where it was held. The intent of this bill is to change the current statutes which do not necessarily allow seized property to go back to the land owner if he is found innocent of the crime for which his property was originally seized. Seized property may end up being in the State's hands for a number of months or years while court cases are being settled. If the defendant is found guilty, the State may then sell the seized property and put the funds from that sale into the general fund. If the defendant is found not guilty, the State would be obligated to turn the property back over to the land owner. Our concern (and we have called the sponsor for clarification, but as of yet, we have not received an answer) is who is responsible for paying municipal property taxes while this land is being held by the State? Also, if the State is in the position of having to sell this property, will they forward past due property taxes to the proper municipality before they deposit the funds into the State general fund? As soon as someone gets back to us, we will let you know. There are no further hearings scheduled at this time.

**HB 21 (SB 1) – An Act making a special appropriation from the earnings reserve account for the payment of permanent fund dividends; and providing for an effective date.**

**HB 22 (SB 2) – An Act increasing the amount of the 2016 permanent fund dividend and directing the Department of Revenue to pay a supplemental dividend to eligible individuals; and providing for an effective date.**

These two bills (SB 1 and SB 2) gained a few more sponsors. The intent is to create a special appropriation that would restore the vetoed portion of the 2016 Permanent Fund Dividend (PFD) to every eligible Alaskan in the amount of \$1,030. As per the adopted “Sustainability Plan” and AML Resolution #2017-01, these bills take an entirely different position than that for which we have advocated. The bills were heard in Senate State Affairs on Tuesday, 01/24 where they were held. The next hearing will be on Saturday, 01/28, again in State Affairs.

**HB 23 – An Act relating to major medical insurance coverage under the Public Employees’ Retirement System of Alaska for certain surviving spouses and dependent children of peace officers and firefighters; and providing for an effective date.**

This bill is going through some heavy changes, as we speak. The concept of this bill was a bit of a controversy at the end of last session, as the Legislature failed to act to take care of the insurance costs for the spouses and children of police or fire fighters killed in the line of duty. There has been (as there should be) much discussion about how this is the “right” thing to do. What I am going to say next, I hope you keep in context within the “big picture.” The Legislature has continued to cut many of our services and funding, while at the same time passing some of their costs over to us. Had we not fought like banshees last year, we would have been saddled with many more costs than we have. We have no ability to really plan, as we never know from one year to the next how much Revenue Sharing (if any) we will receive; how many State costs they will try to pass over on us, etc. So, under that scenario, it is hard to accept that this bill intends to do what the State tried to accomplish last year, but now will make it a “local government” mandate to pay these costs. To date, I have not found a community that did not step up to the plate when an unfortunate event like this took place in their community. The State cannot continue to whack us every chance they get and then continue to mandate more expenses to us. When a police officer or fire fighter is killed in the line of duty, that municipality would be required to submit funds to cover the health insurance of the spouse and children into a fund set up by the state, who would then provide that money to the beneficiaries. Of course, with the State being involved, there would also be an administrative fee collected by the State for doing that work. We need to weigh in on this bill. Hopefully, there is a Senate version coming which will not include a mandate. We will let you know what shakes out. The bill was introduced Thursday, 01/26. It will be heard again next week for public testimony.

**HB 51 – An Act relating to the regulation of wastewater discharge from small commercial passenger vessels in state waters; and providing for an effective date.**

This bill would reinstate statutes that exempt the state ferries and other small passenger vessels from large cruise ship wastewater discharge requirements, instead allowing them to discharge wastewater under Best Management Practices (BMP) plans. An exemption in the statute was made for smaller ships – including the state ferries - in recognition of the problems they would have installing AWTS on board their smaller vessels. The exemption language in the statute expired on January 1, 2016, leaving the small vessels without a viable means to comply with the statutory permitting provisions. This bill would restore the statutory exemption along with DEC’s authority to require the alternative requirements such as BMP for the smaller vessels. Without the changes in the proposed bill, state ferries and small cruise ships would have to install AWTS technology, which would be cost and space prohibitive. Additionally, most cruise ships and state ferries lack available space and weight capacity to install AWTS, creating potential stability issues. DOT&PF estimates the cost to retrofit ferries is over \$5 million. This bill was referred to House Resources, but was moved to House Transportation where it was held and heard on Thursday, 01/26. It has no further hearings scheduled, at this time.

## Bills Introduced

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### Newly Submitted Bills of Interest:

**[HB 11](#)** - An Act relating to retirement incentives for members of the defined benefit retirement plan of the teacher’s retirement system and the defined benefit retirement plan of the Public Employees’ Retirement System of Alaska; and providing for an effective date.

**[HB 21](#) ([SB 1](#))** – An Act making a special appropriation from the earnings reserve account for the payment of permanent fund dividends; and providing for an effective date.

**[HB 22](#) ([SB 2](#))** – An Act increasing the amount of the 2016 permanent fund dividend and directing the Department of Revenue to pay a supplemental dividend to eligible individuals; and providing for an effective date.

**[HB 23](#)** – An Act relating to major medical insurance coverage under the Public Employees’ Retirement System of Alaska for certain surviving spouses and dependent children of peace officers and firefighters; and providing for an effective date.

**[HB 30](#)** – An Act relating to the payment of sick leave by employers; and providing for an effective date.

**[HB 34](#)** – An Act relating to sales of alcoholic beverages near a school or church.

**HB 35** – An Act creating the safer Alaska streets and communities fund; and providing for an effective date.

**HB 42** – An Act relating to seizure of property; relating to forfeiture to the state; relating to criminal law; amending Rules 3,4,11,12,16,32,32.2,32.3,39,39.1,and 42, Alaska Rules of Criminal Procedure, Rules 501, 801, and 803, Alaska Rules of Evidence, and Rules 202, 209, and 217, Alaska Rules of Appellate Procedure; and providing for an effective date.

**HB 45** – An Act relating to an annual report concerning the payment of equal pay for comparable work; increasing the minimum wage; and providing for an effective date.

**HB 47** – An Act requiring certain municipalities with a population that decreased by more than 25 percent between 2000 and 2010 that participate in the defined benefit retirement plan of the Public Employees' Retirement System of Alaska to contribute to the system an amount calculated by applying a rate of 22 percent of the total of all base salaries paid by the municipality to employees of the municipality who are active members of the system during a payroll period; authorizing the administrator of the defined benefit retirement plan of the Public Employees' Retirement System of Alaska to reduce the rate of interest payable by certain municipalities that are delinquent in transmitting employee and employer contributions to the retirement plan; and providing for an effective date.

**HB 50** – An Act relating to the procurement of architectural, engineering, or land surveying services for state-funded contracts.

**HB 51** – An Act relating to the regulation of wastewater discharge from small commercial passenger vessels in state waters; and providing for an effective date.

**HB 57 (SB 22)** – An Act making appropriations for the operating and loan program expenses of state government and for certain programs; capitalizing funds; amending appropriations; repealing appropriations; making supplemental appropriations and reappropriations, and making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional budget reserve fund; and providing for an effective date.

**HB 58 (SB 23)** – An Act making appropriations, including capital appropriations, supplemental appropriations, reappropriations, and other appropriations; making appropriations to capitalize funds; and providing for an effective date.

**HB 60 (SB 25)** – An Act relating to the motor fuel tax; relating to the disposition of revenue from the motor fuel tax; relating to a transportation maintenance fund; and providing for an effective date.

**HB 65** – An Act increasing the amount of the 2016 permanent fund dividend and directing the Department of Revenue to pay a supplemental dividend to eligible individuals; and providing for an effective date.

**HB 66** – An Act making a special appropriation from the earnings reserve account for the payment of permanent fund dividends; and providing for an effective date.

**HJR 2 (SJR 1)** – Proposing an amendment to the Constitution of the State of Alaska relating to an appropriation limit.

**SB 3 (HB 51)** – An Act relating to the regulation of wastewater discharge from small commercial passenger vessels in state waters; relating to art requirements for certain public facilities; and providing for an effective date.

**SB 7** – An Act establishing a museum construction grant program in the Department of Commerce, Community, and Economic Development.

**SB 8** – An Act allowing federally recognized tribal governments to receive contributions from permanent fund dividends.

**SB 14**– An Act relating to transportation network companies and transportation network company drivers

**SB 18** – An Act relating to third class boroughs.

**SB 21** – An Act relating to appropriations from the income of the Alaska Permanent Fund; relating to the calculation of permanent fund dividends and providing for an effective date.

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