This weekly e-Bulletin will hopefully 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 questions about any bills, please call us at the office and we will try to help you. 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 Schedules**

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](http://akl.tv) web site. Most of these meetings are teleconferenced.

They also started to video stream all committee meetings in the state capitol. Check it out at [http://akl.tv](http://akl.tv).

It is best if you go through your local LIO office. If you are unable to go through your local LIO office, you must call the Chair of the Committee in which the bill is being heard for “authorization” and the new off-net call in number.

**Monday, March 31st, 2014**
- **HB199** – VPSO Firearms – 9:00 A.M. (S) Finance
- **SB138** – Gas Pipeline; AGDC; Oil & Gas Prod. Tax – 1:00 P.M. (H) Resources
- **HB278** - Education: Funding/Tax Credits/Programs – 1:30 P.M. (H) Finance

**Tuesday, April 1st, 2014**
- **HB216** – Official Languages of the State – 8:00 A.M. (H) State Affairs
- **HB278** - Education: Funding/Tax Credits/Programs – 1:30 P.M. (H) Finance
- **SB138** – Gas Pipeline; AGDC; Oil & Gas Prod. Tax – 4:30 P.M. (H) Resources

**Wednesday, April 2nd, 2014**
- **SB138** – Gas Pipeline; AGDC; Oil & Gas Prod. Tax – 1:00 P.M. (H) Resources
- **HB278** - Education: Funding/Tax Credits/Programs – 1:30 P.M. (H) Finance
- **HB152** - PERS Termination Costs – 3:15 P.M. (H) Labor & Commerce

**Thursday, April 3rd, 2014**
- **SB119** – Budget: Capital – 9:00 A.M. (S) Finance
- **HB265** – Budget: Capital – 1:30 P.M. (H) Finance
- **SB119** – Budget: Capital – 1:30 P.M. (S) Finance
- **SB138** – Gas Pipeline; AGDC; Oil & Gas Prod. Tax – 4:30 P.M. (H) Resources
- **HB234** - Extend Regulatory Commission of Alaska – 4:30 P.M. (S) Labor & Commerce

**Friday, April 4th, 2014**
- **SB138** – Gas Pipeline; AGDC; Oil & Gas Prod. Tax – 1:00 P.M. (H) Resources

**Saturday, April 5th, 2014**
- **SB119** – Budget: Capital – 9:00 A.M. (S) Finance
HB278 - TITLE: "An Act increasing the base student allocation used in the formula for state funding of public education; repealing the secondary student competency examination and related requirements; relating to high school course credit earned through assessment; relating to a college and career readiness assessment for secondary students; relating to charter school application appeals and program budgets; relating to residential school applications; increasing the stipend for boarding school students; extending unemployment contributions for the Alaska technical and vocational education program; relating to earning high school credit for completion of vocational education courses offered by institutions receiving technical and vocational education program funding; relating to education tax credits; making conforming amendments; and providing for an effective date."

This bill would increase the Base Student Allocation (BSA) in FY15 by $85 per student to $5,765, FY16 by $58 per student to $5,823 and FY17 by $58 per student to $5,881. It will also remove the High School Exit Exam, require that a school district provide a high school student an opportunity to “test out” of a class and allow students to earn course credits in math, language arts, science, social studies, and world languages by demonstrating mastery of content through a district-approved assessment. This bill will give tax credits to a private sector business for partnering with a local school district to provide scholarships to students earning dual credits. It will extend the sunset date of the technical vocational education program until 2024. This bill will also require a school board to provide a written approval or denial of a charter school application with relevant findings and allow the denied applicant to appeal the denial to the commissioner for reconsideration. Lastly, this bill would require the Department of Education and Early Development to open an annual application period for Residential Schools. This bill was heard and held in House Finance.

SB138 - TITLE: "An Act relating to the purposes of the Alaska Gasline Development Corporation to advance to develop a large-diameter natural gas pipeline project, including treatment and liquefaction facilities; establishing the large-diameter natural gas pipeline project fund; creating a subsidiary related to a large-diameter natural gas pipeline project, including treatment and liquefaction facilities; relating to the authority of the commissioner of natural resources to negotiate contracts related to North Slope natural gas projects, to enter into confidentiality agreements in support of contract negotiations and implementation, and to take custody of gas delivered to the state under an election to pay the oil and gas production tax in kind; relating to the sale, exchange, or disposal of gas delivered to the state under an election to pay the oil and gas production tax in kind; relating to the duties of the commissioner of revenue to direct the disposition of revenues received from gas delivered to the state in kind and to consult with the commissioner of natural resources on the custody and disposition of gas delivered to the state in kind; relating to the authority of the commissioner of natural resources to propose modifications to existing state oil and gas leases; making certain information provided to the Department of Natural Resources and the Department of Revenue exempt from inspection as a public record; making certain tax information related to an election to pay the oil and gas production tax in kind exempt from tax confidentiality provisions; relating to establishing under the oil and gas production tax a gross tax rate for gas after 2021; making the alternate minimum tax on oil and gas produced north of 68 degrees North latitude after 2021 apply only to oil; relating to apportionment factors of the Alaska Net Income Tax Act; authorizing a producer’s election to pay the oil and gas production tax in kind for certain gas and relating to the authorization; relating to monthly installment payments of the oil and gas production tax; relating to interest payments on monthly installment payments of the oil and gas production tax; relating to settlements between producers and royalty owners for oil and gas production tax; relating to annual statements by producers and explorers; relating to annual production tax values; relating to lease expenditures; amending the definition of gross value at the ‘point of production’ for gas for purposes of the oil and gas production tax; adding definitions related to natural gas terms; clarifying that credit may not be taken against the in-kind levy of the oil and gas production tax for gas for purposes of the exploration incentive credit, the oil or gas producer education credit, and the film production tax credit; making conforming amendments; and providing for an effective date."

This bill lays out all of the “workings” between the partners in the advancement of a large-diameter natural gas pipeline. It deals with: what funding may be used for this pipeline; the creation of subsidiaries for the pipeline project; the creation of a public corporation; defines a subsidiary board for the pipeline; allocates certain powers to those board members; allowing for the share of royalty gas leases; the confidentiality of tax information; the authority of the Revenue Commissioner and the DNR Commissioner. This bill was heard and held in House Resources.
This bill allows Department of Natural Resources to transfer land or materials for public purposes or airports, highways, harbors, and public buildings to the Department of Transportation and Public Facilities that are categorized as 'disposal' under the Alaska Lands Act. Concerns were raised that because DOT is very project oriented they are not set up to address the multiple use resource issues that DNR is constitutionally required to address. Another concern would be that if land and materials are just handed over to DOT then DNR's current management that allows sites to be used by other agencies, individuals, municipalities and industry will no longer be allowed. This bill was heard and held in Senate Transportation.

HB266 - **TITLE:** "An Act making appropriations for the operating and loan program expenses of state government and for certain programs, capitalizing funds, and making re-appropriations; making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional budget reserve fund."

The Operating budget bill has many moving parts that will not all be resolved for a time. However, in that bill is a decrease in Revenue Sharing of $10 million dollars that will be realized in Revenue Sharing checks that will go out in July of 2015. One of the suggestions of Legislators is to decrease Revenue Sharing by $10 million each year until either the oil and gas situation improves or until Revenue Sharing is gone (which would be in the year 2020). We will take bets on which you think will happen first!

An amendment was passed in Senate Finance that would restore $3 million of the $10 million that was removed. The Governor, however, has requested that the Legislature restore the entire $10 million. We are still uncertain as to how the Legislature will deal with the PERS/TRS cash infusion issue. They have been having ample meetings to discuss it and members of the Legislature seem to be all over the board on their opinions. We will keep you posted. Things are moving slothfully fast? This bill was heard and moved out of Senate Finance with amendments.

HB317 - **TITLE:** "An Act relating to official traffic-control devices at schools and in school zones."

This Bill will require all municipalities to post signs for all school zones to include public, private and religious schools. This bill will also require all municipalities to post a sign indicating each school zone is a drug free school as well. This bill was heard and held in House Community and Regional Affairs, waiting on fiscal note from Department of Transportation.

HB152 - **TITLE:** "An Act requiring certain employers who terminate participation in the defined benefit retirement plan or the defined contribution retirement plan of the Public Employees' Retirement System to make contributions related to past service liability and pay termination costs; repealing a requirement that employers who terminate participation in the defined contribution retirement plan or the defined benefit retirement plan of the Public Employees' Retirement System pay for a termination cost study; and providing for an effective date."

This bill would eliminate termination costs providing municipalities flexibility to effectively manage the delivery of programs and services while maintaining the 22% contribution requirement. A Committee Substitute was offered for HB152 causing it only to become effective conditionally upon the Legislature making a contribution of $1,200,000,000 or more to stabilize the accrued liability in the PERS fund. This bill was heard and held in House Labor and Commerce.

HJR10 - **TITLE:** Proposing amendments to the Constitution of the State of Alaska creating a transportation infrastructure fund.

This bill will put a constitutional amendment before voters to amend the Alaska constitution to reinstate a dedicated fund for transportation projects. If passed by the voters, the Alaska Transportation Infrastructure Fund (ATIF) will dedicate transportation user fees and taxes to transportation projects. This bill was heard and held in Senate Transportation.

HB216 - **TITLE:** "An Act adding the Inupiaq, Siberian Yupik, Central Alaskan Yup'ik, Alutiiq, Unangax, Dena'ina, Deg Xinag, Holikachuk, Koyukon, Upper Kuskokwim, Gwich'in, Tanana, Upper Tanana, Tanacross, Hän, Ahtna, Eyak, Tlingit, Haida, and Tsimshian languages as official languages of the state."

This bill will allow for 20 different Alaska Native languages to become official of the State of Alaska, along with English. English is the official language in State Law. This bill would add to the list Inupiaq, Siberian Yupik, Central Alaskan Yup'ik, Alutiiq, Unangax, Dena’ina, Deg Xinag, Holikachuk, Koyukon, Upper Kuskokwim, Gwich’in, Tanacross, Upper Tanana Tanana, Han, Ahtna, Eyak, Tlingit, Haida, and Tsimshian.