



House Speaker Bryce Edgmon's *Legislative Update*



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Where Things Stand on Day 60



Today puts us two-thirds of the way through the statutory 90-day session. Appropriately enough, we are poised to tackle some big ticket items in the immediate future, while other major components of what may be called an adjournment package are making questionable progress.

3,2,1...Go.

On Monday the House passed HB 321, a fast-track Supplemental Budget that provides state agencies stop-gap funding so that essential services can run smoothly ahead of final passage of the FY19 Operating Budget. Examples include \$24 million to fully fund the Alaska Marine Highway System,

\$45 million to keep Medicaid payments flowing through April, and \$30 million for the Community Assistance Program, which will allow communities large and small across the state to better plan their budgeting.

These appropriations were organized in close collaboration with the Senate, setting the stage, I hope, for further cooperation and partnership going forward. In true fast-track fashion, the Senate, in turn, passed HB 321 this morning.

197 Ways to Talk about the Budget

Over the past couple of weeks, the House Finance Committee logged many hours finalizing the House's version of HB 286, the Operating Budget. This took the form of considering a total of 197 amendments to the governor's proposed bill. Many amendments were developed at the Finance Subcommittee level and subsequently passed on to the full committee. Others originated with individual Finance Committee members. Pass or fail, all were given consideration.



On Monday Speaker Edgmon met with J.T. and Leigh Bolin, at right and left, respectively, who are dedicated social workers and clinicians in Dillingham.

As of this writing, House Finance is awaiting drafting of a Committee Substitute (CS) for the bill—a new version that incorporates all the changes made through the amendment process. Once they have that in hand (along with a

CS for the Mental Health Budget as well), they will pass HB 286 from committee, sending it to the House Floor for a full vote next week. The bill's time on the floor could prove to be lengthy, since there are likely to be a significant number of attempts to amend the bill there too.

In next week's newsletter, I'll be sure to include details on the operating plan we ultimately pass to the Senate.

Capital Spending: The Skinny

It's hard to find a better illustration of the state's financial straits than in the thinness of our Capital Budgets in recent years. Just as we've cut the Operating Budget by double-digit percentages since 2015, the Capital Budget has been a skin & bones bill for some time.

With its work nearly done on the Operating Budget, the House Finance Committee will turn to the Capital bill late next week. While House action on this budget traditionally doesn't take place until the Senate passes us its version, the Finance Committee will take it up next Friday to provide an overview of what Governor Walker has proposed.

Expect an inventory of infrastructure projects limited almost entirely to those whose state-funding match brings in significant federal dollars.

At that same meeting, House Finance will examine Governor Walker's HB 282, also known as the Economic Recovery Act. The short title that Legislative Legal Services has given this bill says a lot; it reads, "Capital Budget Contingent on Taxes."

While this bill is a great demonstration of the boost to the economy that capital spending can create, all of the funding for the appropriations it makes depend on establishing a state payroll tax. The tax is a small one—just 1.5 percent and capped so that even someone making \$1 million a year would pay no more than \$2,200. Nonetheless, the levy would bring in \$320 million annually (sunsetting in three years), and the bulk of the money would be directed toward a long-standing deferred maintenance backlog that includes dozens of shovel-ready projects.

The Alaska House Majority Coalition included measures for diversified, broad-based revenues in the full fiscal plan we passed to the Senate last year, but the Senate never acted on them. This year, we feel it rests with the Senate to bring forth a compromise. Governor Walker's proposal in HB 282, while not perfect, is certainly a good starting point for productive collaboration, but as of this writing the Senate has not scheduled a hearing on the bill.



Unalaska City Council Member James Fitch was recently in Juneau and met with Speaker Edgmon.

HB 287 to Senate: “Go Fund Me”

The last “big ticket” item I’ll mention today is the House Finance bill to early fund K-12 Education, passed by the House back on February 7th. This bill went to the Senate without funding finalized, since in the House we were unable to garner the three-quarter vote necessary to use the Constitutional Budget Reserve.

HB 287 is designed to secure funding sooner rather than later in the session to make sure our school districts can plan their upcoming budgets with confidence and aren’t forced to issue disruptive layoff notices to teachers in the spring.

Since the bill passed to the Senate, it has been heard only once, and held, in their Finance Committee. This is important legislation for the smooth running of our schools to provide good futures for our kids, and I hope the Senate gives it more attention soon.

Obviously, there is a great deal to accomplish in the next 30 days. Fortunately, I still see a strong desire on the part of legislators in both the House and Senate and on both sides of the aisle to complete our work in a reasonable time period this year. That alone is healthy motivation for all of us to pull together to accomplish in a timely manner what all Alaskans reasonably expect of us.



Speaker Edgmon and other House Majority Coalition legislators greeted Juneau high school students on the Capitol steps during their Wednesday demonstration against gun violence in schools.

On Deck Next Week...

Monday

(S)FINANCE

Mar 19 Monday 9:00 AM
Spring Revenue Forecast
Commissioner Sheldon Fisher, Department of Revenue

(H)RESOURCES

Mar 19 Monday 1:00 PM
Confirmation Hearings:
- Board of Game
- Big Game Commercial Services Board
HB 27 HIGH-RISK CHEMICALS FOR CHILD EXPOSURE; HB 272 TANGLE LAKES STATE GAME REFUGE; HB 173 CLIMATE CHANGE COMMISSION

Tuesday

(S)SPECIAL CMTE ON THE ARCTIC

Mar 20 Tuesday 8:30 AM
HJR 19 ARCTIC MARINE SAFETY AGREEMENTS

(H)FISHERIES Special Committee*

Mar 20 Tuesday 10:00 AM
+ Confirmation Hearings: Board of Fisheries

Wednesday

(H)RESOURCES Standing Committee

Mar 21 Wednesday 1:00 PM
HCR 23 PROTECT WILDLIFE FROM FOREIGN PATHOGENS; HB 315 CONFIDENTIALITY OF ANIMAL & CROP RECORDS; HB 260 FISH & GAME LICENSES; ELECTRONIC FORM; HB 354 DIVE FISHERY ASSESSMENTS

Thursday

(H)ARMED SERVICES COMMITTEE

Mar 22 Thursday 11:30 AM
+Briefings by:
Lieutenant General Kenneth S. Wilsbach
- Commander, Alaska North American Aerospace Command Region and Commander, Alaska Command, U.S. Northern Command
Major General Mark O'Neil
- Commanding General, U.S. Army Alaska
Rear Admiral Michael F. McAllister
- Commander, Seventeenth U.S. Coast Guard District
Major General Laurel J. Hummel
- The Adjutant General, Alaska National Guard and Commissioner, Alaska Department of Military and Veterans' Affairs

(S)LABOR & COMMERCE

Mar 22 Thursday 1:30 PM
SB 76 ALCOHOLIC BEVERAGE CONTROL; ALCOHOL REG

(S)STATE AFFAIRS

Mar 22 Thursday 3:30 PM
+Consideration of Governor's Appointees
Lt. Governor Successor: Valerie Davidson
Board of Fisheries: Orville Huntington and Duncan Fields

Friday

(H)MISCELLANEOUS MEETING

Mar 23 Friday 12:00 PM
Lunch & Learn: Norway's Correctional System by Commissioner Dean Williams, Dept. of Corrections
- Judge Trevor Stephens
- Senator Kelly
- Representative Edgmon
Sponsored by Sen. Kelly

(H)RESOURCES

Mar 23 Friday 1:00 PM
+Confirmation Hearing: Board of Game
+= HB 27 HIGH-RISK CHEMICALS FOR CHILD EXPOSURE TELECONFERENCED
+= HB 354 DIVE FISHERY ASSESSMENTS

(H)FINANCE

Mar 23 Friday 1:30 PM
HB 282 APPROP: CAPITAL BUDGET CONTINGENT ON TAX
HB 284 APPROP: CAPITAL BUDGET TELECONFERENCED
HB 212 REAA & SMALL MUNI SCHOOL

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