



**Capitol Report**  
by  
**Senator Gary Stevens**

Hello again from the Capitol. The 2019 session is now in its fourth week and the Capitol is a busy place. In recent weeks, Senate committees have been hearing from commissioner designees, receiving departmental overviews, and holding hearings on legislation.

All of this is a prelude the governor's revised budget, which is expected to be submitted to the legislature by Wednesday, February 13th. Although we do not know exactly what is coming in the budget, we expect deep cuts will be proposed to balance the budget in the wake of a \$1.6 billion revenue deficit.

### **Supplemental Budget**

On Monday, January 28, the governor introduced his proposed supplemental budget through SB 39. Generally, supplemental budgets are offered each year to reconcile the spending plan approved by lawmakers the previous spring with expenses that have occurred since then.

One of the items in the supplemental budget drawing concern is a proposed cut of \$20 million to K-12 education funding. This is funding districts have built their own budgets on, and in many cases have partially spent. School board members from around the state are due in Juneau for their annual fly-in later this month. During the visit, I expect there will be a great deal of discussion on the impacts the cuts will have on school systems around the state.

### **Proposed Constitutional Amendments**

As part of his long-term fiscal plan, on Wednesday, January 30th, the governor introduced three resolutions proposing changes to the Alaska Constitution. All have been referred to the Senate State Affairs Committee for initial consideration.

SJR 4 would require any new tax or tax rate increase passed by the legislature to go to a vote of the people. The resolution also says any new tax or tax rate increased passed by voter initiative to be approved by the legislature.

SJR 5 proposes guarantying the Permanent Fund Dividend (PFD) in the Constitution. It also specifies that PFD amounts cannot be reduced by the legislature or governor. Additionally, the legislation requires public approval for any statutory changes to the PFD formula.

SJR 6 replaces the current constitutional with new language calculating using a 3-year average of state spending. Allowable exceptions include PFDs and bond payments.

Getting a constitutional amendment on an election ballot is a steep slope to climb. Two-thirds of the Senate and two-thirds of the House must approve the resolutions before they would go to the voters in 2020. It is unlikely these resolutions will advance through the current legislature, but they should draw plenty of discussion, and hopefully prompt more Alaskans into thinking about what kind of state government they want.

### **Personal Legislation Update**

On Tuesday, January 29th, the Senate Education Committee, which I chair, held its first hearing on SB 30, which would create the Middle College Program in Alaska. A type of dual credit system, Middle Colleges are partnerships between school districts and colleges. They offer a focused curriculum, at no cost to pupils, thus increasing the viability of students from all economic backgrounds to earn college credits while still in high school.

SB 30 will be heard again soon.

SB 22 was heard by the Senate Resources Committee on Wednesday, January 30th. It allows for large-scale enhancement projects for shellfish. Currently, all such projects are permitted under a research permit and are of limited size and scope. Passage of the bill would allow the Department of Fish and Game to manage shellfish enhancement projects and establish guidelines for new permits.

A second hearing SB 22 is forthcoming.

The Senate Education Committee held its first hearing on SB 31. The bill set in statute the ability of University of Alaska (UA) students to transfer lower division course credits within the university system. The goal is to eliminate the need for a UA student to repeat lower-level courses when transferring between university campuses.

I expect another hearing on SB 31 in the near future.

### **Boards and Commissions**

Congratulations to Anchor Point's Nora Safra, who has been appointed to the Alaska Commission on Aging; Dr. Christopher Twiford of Kodiak, who has been reappointed to the Alaska Worker's Compensation Board; and Kodiak's Jason Bunch, who has been reappointed to the Big Game Commercial Services Board. Thank you for your willingness to lend your time and expertise to the state.

More information on Alaska's Boards and Commissions is available on the internet at: <https://gov.alaska.gov/services/boards-and-commissions/>

### **File for Your PFD**

The 2019 Permanent Fund Dividend application period continues through Sunday, March 31st. The easiest way to apply is via the PFD Division's website at [www.pfd.alaska.gov](http://www.pfd.alaska.gov). If you are applying by mail, please send your application by certified mail and request a return receipt for your records.

### **Pick.Click.Give.**

Several local nonprofit organizations are participating in the Pick.Click.Give. program again this year. The program offers you the opportunity to donate all, or part of your PFD in \$25 increments to the nonprofit organization of your choice.

Pick.Click.Give is run by the Alaska Community Foundation in partnership with the Rasmuson Foundation, the Foraker Group, United Way of Anchorage, and the State of Alaska Permanent Fund Dividend Division.

You can get more information on the program through the PFD Division's website.

Thank you for reading this edition of the *Capitol Report*. I look forward to giving you another update on the legislature's work in a few weeks. Please keep in touch.