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<u>City of Unalaska Legislative Report</u> 2/23/25

Unless you are primarily focused on education funding, things seem to be moving a bit slower this year.

The Governor submitted his amended budget by the February 19 deadline, the slight decrease in supplemental requests was overshadowed by the looming \$1.6 million deficit. Key changes in the budget highlights include the removal of \$50 million for the Alaska Gasline Project, which will now rely on AIDEA's corporate funds. Also, the updated Medicaid budget reflects an increase of \$19.6 million in UGF, acknowledging the rising healthcare costs.

The formation of the new Department of Agriculture, as highlighted in the budget, demonstrates the administration's preparedness to expand governmental functions despite fiscal pressures. This new department will utilize \$2.4 million for the establishment of its office and administrative positions, signifying the state's intention to enhance agricultural oversight.

The introduction of SB 92 targeting oil and gas companies represents a targeted path forward in generating revenue amidst declining state resources. However, the perceived discrimination against a singular company, like Hilcorp, raises concerns about future oil and gas development in Alaska. The implications of such a tax proposal will be closely monitored as the legislature continues to evaluate innovative solutions to the state's economic dilemmas.

The ongoing discussions among community leaders and legislators in Juneau underscore the pressing fiscal challenges facing Alaska, particularly as municipalities present their capital project priorities. The anticipated budget deficit of \$563 million for FY25 and FY26, as projected, adds urgency to these deliberations. The challenge for lawmakers will be to address critical areas such as education funding, deferred maintenance, and pension reform against a backdrop of limited financial resources.

As community leaders continue advocating for local priorities, the interplay between fiscal responsibility and funding essential services will remain central to discussions in the Alaska State Legislature. The outcome of these negotiations will ultimately shape the state's economic trajectory as it navigates the complexities of fiscal management in the coming years.

Upcoming Schedule

Description	Date, Time & Location
BARNES 124 -HOUSE TRANSPORTATION	Tue 2/25/25 1:30
	PM
Please Note Time Change	
+ Presentation: Ports and Harbors of Alaska by TELECONFERENCED	
Bryan Hawkins, President, Alaska Association of	
Harbormasters & Port Administrators	
+ Bills Previously Heard/Scheduled TELECONFERENCED	



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Description	Date, Time & Location
BARNES 124 -HOUSE COMMUNITY & REGIONAL AFFAIRS += HB35 PRISONERS: ELECTRONIC DEVICE ACCESS/USE TELECON- FERENCED Testimony *+ HB26 STATEWIDE PUBLIC & COMMUNITY TRANSIT PLAN TELE-	Thu 2/27/25 8:00 AM
CONFERENCED Testimony + Presentation: Department of Corrections TELECONFERENCED Overview by Commissioner Jen Winkelman Testimony	
+ Bills Previously Heard/Scheduled TELECONFERENCED	
SENATE FINANCE 532 -SENATE FINANCE	Thu 2/27/25 9:00 AM
For Nome, Bethel, Kotzebue, Utqiagvik, Unalaska, Dillingham, Offnets Sign up by 10:15am	
+= SB56 APPROP: OPERATING BUDGET; CAP; SUPP TELECONFER-ENCED	
Public Testimony += SB57 APPROP: CAPITAL/SUPPLEMENTAL/FUNDS TELECONFER- ENCED	
Public Testimony += SB58 APPROP: MENTAL HEALTH BUDGET TELECONFERENCED	
Public Testimony += SB59 APPROP: SUPPLEMENTAL; FUND CAP TELECONFERENCED	
Public Testimony	
Bills Previously Heard/Scheduled **Streamed live on AKL.tv**	
BUTROVICH 205 -SENATE TRANSPORTATION + Overview: Metropolitan Planning Organizations TELECONFERENCED Aaron Jongenelen, Executive Director/MPO Coordinator, AMATS	Thu 2/27/25 1:30 PM
Jackson C. Fox, Executive Director, FAST	
Planning Kim Sollien, Executive Director, MVP	
Streamed live on AKL.tv BARNES 124 -HOUSE LABOR & COMMERCE	Fri 2/28/25 9:00 AM
Please Note Time Change + HOUSE BILL: SMALL BUSINESS TAX CREDIT TELECONFERENCED	7 1141
Testimony + Bills Previously Heard/Scheduled TELECONFERENCED **Streamed live on AKL.tv**	



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Description	Date, Time &
	Location
BARNES 124 -HOUSE RESOURCES	Fri 2/28/25 1:00
+ Presentation: Alaska Department of Transportation TELECONFERENCED	PM
and Public Facilities Update by LeslieDaughtery,	
Chief Bridge Engineer; Jason Sakalaskas,	
Maintenance and Operations Chief, Northern	
Region; and Dan Smith, Director, Measurement	
Standards/Commercial Vehicle Compliance	
+ HB33 CONFLICT OF INTEREST: BD FISHERIES/GAME TELECON-	
FERENCED	
Invited & Public Testimony	

Bill	Title	Prime Spon-	Status & Upcoming Hear-	Position
		sor	ings	
<u>HB 1</u>	Specie As Legal Tender	MCCABE	(H) REFERRED TO	
			STATE AFFAIRS (1/22)	

HB 1, titled "Specie As Legal Tender," aims to establish gold and silver specie as legal tender in Alaska. The bill prohibits boroughs and cities from levying sales and use taxes on the sale or exchange of specie. It defines specie as gold or silver valued primarily based on its metal content, in the form of coins or bullion stamped with its weight and purity. The bill also authorizes the Legislative Budget and Audit Committee to study the possibility of establishing additional forms of legal tender.

HB 13	Municipal Property Tax Exemptions	GRAY	(H) REFERRED TO COMMUNITY & RE- GIONAL AFFAIRS (1/22)	
<u>HB 18</u>	Vehicles/boats: Transfer On Death Title	RAUSCHER	(H) Heard & Held (2/13)	
HB 26	Statewide Public & Community Transit Plan	MINA	(H) Testimony <invitation only=""> (2/27) 02/27/25 8:00 AM in BARNES 124</invitation>	
<u>HB 31</u>	Vessels: Registration/derelict Fund	STUTES	(H) REFERRED TO FINANCE (2/12)	
<u>HB 78</u>	Retirement Systems; Defined Benefit Opt.	HOUSE FI- NANCE	(H) Heard & Held (2/18)	

HB 78 is a bill that allows certain employees to opt-in to the defined benefit retirement plan. The bill impacts municipalities as it affects the retirement plans of their employees. The legislation applies to teachers and public employees who first became members of the defined contribution retirement plan after June 30, 2006, and before July 1, 2025.



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<u>SB 10</u>	Paid Family Leave/wage	DUNBAR	(S) REFERRED TO LA-	
	Replacement Insur.		BOR & COMMERCE	
	_		(1/22)	
<u>SB 50</u>	Municipal Comprehensive	DUNBAR	(S) REFERRED TO LA-	
	Plans: Housing		BOR & COMMERCE	
	_		(2/12)	

SB 50 amends Alaska Statute 29.40.030(a) to require first and second-class boroughs to include a housing plan in their comprehensive plans. The bill aims to guide physical, social, and economic development in these boroughs, addressing housing needs and providing recommendations for implementation of the comprehensive plan.

<u>SB 79</u>	Payment Of Wages; Pay-	SENATE	(S) ADVANCED TO	
	roll Card Account	LABOR &	THIRD READING 2/24	
		COM-	CAL (2/20)	
		MERCE		

SB 79 is a bill that relates to wage payments in Alaska. The bill amends existing law to allow employers to pay employees' wages by crediting a payroll card account, but only if the employee has voluntarily authorized the credit or has not authorized deposit of their wages. The bill requires employers to notify employees of their wage payment options, payroll card terms and conditions, and fees associated with the payroll card.

The bill aims to provide employees with greater flexibility and protection in receiving their wages, while also allowing employers to use payroll card accounts as a convenient and cost-effective way to pay employees.