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<u>City of Unalaska Legislative Report</u> 3/9/25

This week, lawmakers in the House completed their work in the finance subcommittee, presenting budget recommendations by department to the full House Finance Committee.

Bil Homka, City Manager and Natalie Cale, CEO for the Ounalashka Corporation visited Juneau last week and met with several Legislators on community priorties and needs.

Several new bills were introduced, including the first bill signed by the Governor in the 34th Alaska State Legislature, <u>HB 65</u>. This legislation grants the Alaska Railroad Corporation the ability to issue up to \$135 million in revenue bonds, which will fund the construction of a new passenger dock and terminal facility in Seward. The prompt advancement of this bill early in the session is attributed to the fact that the revenue bonds necessitate no state funding and are secured via a 30-year agreement with the anchor tenant, Royal Caribbean Group.

Education funding continued to be a pivotal topic this week. The bill HB 69 had an amendment deadline set for Monday, March 10th, amid a tense floor hearing on Thursday. The latest iteration of this bill proposes an increase of the Base Student Allocation by \$1,000 over three years, with an estimated total cost of around \$325 million. Given the potential number of amendments, an extensive debate is anticipated on the House floor in the coming week.

The Legislature is focused on addressing the proposed \$1.5 billion deficit outlined in the Governor's amended budget. Ongoing discussions include examining new revenue sources, such as <u>SB 92</u>, which seeks to tax oil companies categorized as S-Corporations similarly to how other oil corporations (C-Corporations) are currently taxed. A hearing for this bill took place on Monday. Additionally, the Senate is evaluating <u>a bill</u> to impose a corporate tax on online businesses like Amazon and Netflix, which is expected to generate an annual revenue of \$20-\$60 million. SB 113 is set for its first hearing on Monday.

On Wednesday, Commissioner Ryan Anderson provided an update to the House Transportation Committee, addressing concerns related to the 2025 summer construction season. Lawmakers urged the department to ensure that projects would be ready in time for the upcoming season. Commissioner Anderson assured the committee that this issue remains a top priority for the Department of Transportation and outlined various measures taken to mitigate internal delays.



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In a notable development, Anchorage lawmaker Senator Elvi Gray-Jackson introduced a bill on Wednesday designed to codify the rights of unhoused Alaskans. This legislation aims to guarantee access to essential services that promote safe and clean-living conditions. A significant aspect of SB 119 is the provision allowing individuals to "rest or seek shelter from the elements in a public space, provided it does not obstruct pedestrian or vehicular traffic." This bill has been referred to the Senate State Affairs & Judiciary Committees.

Upcoming Schedule

Description	Date, Time &
	Location
BARNES 124 -HOUSE RESOURCES	Mon 3/10/25 1:00
+= HB 33 CONFLICT OF INTEREST: BD FISHERIES/GAME TELECON-	PM
FERENCED	
Public Testimony	
*+ HJR 11 RECOGNIZING ALASKA/CANADA RELATIONSHIP TELE-	
CONFERENCED	
Public Testimony	
ADAMS 519 -HOUSE FINANCE	Tue 3/11/25 1:30
+ HB 10 ADD FACULTY MEMBER UNIV BOARD OF REGENTS TELE-	PM
CONFERENCED	
+ HB 31 VESSELS: REGISTRATION/DERELICT FUND TELECONFER-	
ENCED	
+ HB 36 FOSTER CHILDREN PSYCHIATRIC TREATMENT TELECON-	
FERENCED	
+ Bills Previously Heard/Scheduled TELECONFERENCED	

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

HB 1, titled Species 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	GRAY	(H) REFERRED TO	
	Exemptions		COMMUNITY & RE-	
	_		GIONAL AFFAIRS	
			(1/22)	

HB 13, Municipal Property Tax Exemptions, is a bill that aims to provide optional municipal property tax exemptions for certain long-term rental units, mobile home parks, and real property rented to low-income families. The bill allows municipalities to exempt or partially exempt from



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taxation structures converted from short-term to long-term rental units, mobile home parks for up to 10 years after construction or renovation, and real property rented to low-income families at a rent not exceeding 30% of the median family income. This legislation seeks to incentivize affordable housing and support low-income families in Alaska.

<u>HB 18</u>	Vehicles/boats: Transfer On Death Title	RAUSCHER	(H) Heard & Held (2/13)	
<u>HB 26</u>	Statewide Public & Community Transit Plan	MINA	(H) Heard & Held (2/27)	
<u>HB 31</u>	Vessels: Registration/derelict Fund	STUTES	(H) FINANCE at 01:30 PM ADAMS 519 (3/11) 03/11/25 1:30 PM in AD- AMS 519	

HB 31 aims to amend the registration requirements for commercial vessels in Alaska and make changes to the derelict vessel prevention program fund. The bill would exempt certain boats from registration, including those with valid certificates of number from other states and foreign boats operated in Alaska for less than 90 days. The bill would also repeal the derelict vessel prevention program fund and transfer its balance to the general fund. The changes aim to simplify vessel registration and address the issue of derelict vessels in Alaska's waters.

HB 33	Conflict Of Interest: Bd	STUTES	(H) Public Testimony	
	Fisheries/game		<time be="" limit="" may="" set=""></time>	
	_		(3/10)	
			03/10/25 1:00 PM in	
			BARNES 124	

HB 33 amends Alaska law to clarify conflict of interest rules for members of the Board of Fisheries and the Board of Game. The bill requires members to disclose personal or financial interests related to fish or game resources, but allows them to deliberate and participate in matters unless their involvement would result in a violation of conflict of interest laws. Members with a conflict of interest may not vote on the matter. The bill aims to balance the need for expertise and public participation with the need to prevent conflicts of interest.

<u>HB 78</u>	Retirement Systems; De-	HOUSE FI-	(H) Heard & Held (2/27)	
	fined Benefit Opt.	NANCE		

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.

<u>HB</u>	Board Of Fisheries Mem-	JIMMIE	(H) REFERRED TO	
<u>125</u>	bership		FISHERIES (3/5)	



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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) Moved CSSB	
	Plans: Housing		50(L&C) Out of Commit-	
			tee (3/7)	

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	(H) REFERRED TO LA-	
	roll Card Account	LABOR &	BOR & COMMERCE	
		COM-	(2/26)	
		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.

<u>SB 81</u>	Public Employer Pension	STEDMAN	(S) Testimony <invita-< th=""><th></th></invita-<>	
	Contributions		tion Only> (3/3)	

Alaska's SB 81 adjusts employer contribution rates in the Teachers' Retirement System and Public Employees' Retirement System to ensure sufficient funding for past service liability and employer contributions.