



## End of Session Bills Update:

The 2<sup>nd</sup> regular session of the 33<sup>rd</sup> Alaska Legislature adjourned *sine die*. In the last few days more than 40 bills were passed. Many of those bills were “logrolled,” a process of adding the content of one or more bills to a related bill by amendment. Some of these additions may have broken the single subject rule and other bills were passed after the midnight deadline. The legalities of these maneuvers will be resolved over the next few months. At the end of the day, many good bills passed. Among them were bills that addressed energy issues, extended Senior Benefits, extended education tax credits and the TVEP program, provided a twelve-month supply of birth control, provided mental health services for youth, increased broadband for rural schools, created a more accessible food stamp process, facilitated community solar, and supported the seafood industry, to name a few.

### **Education Bills:**

#### HB 230 – Teachers: Out-of-State Experience; Retired

- Allows a retired Alaska teacher with a lifetime teacher certification issued under HB 230 to substitute teach for up to 165 consecutive days.
- Removes the limit on the number of years of out-of-state school experience that may be substituted for in-state experience for the purpose of determining a teacher's salary.
- A district or DEED may pay an incentive payment of \$5,000 to teachers employed by the district or the department who have a current national board certification.
- A district or DEED shall reimburse teachers employed by the district or the department who is pursuing an initial national board certification or renewal of a national board certification for the costs of course materials, registration, and testing. Costs shall be reimbursed on an ongoing basis.

HB 202 – Bill requires schools to stock overdose reversal drugs. In the last day of session, compromise language was added to stabilize correspondence education programs after a court ruling struck down parts of state law governing the spending of financial allotments distributed through the program. The new language directs Alaska’s Board of Education and Early Development to write temporary regulations to stabilize the program and includes a requirement that the Department of Education and Early Development provide regular reports on spending, demographics, academic performance, and curricula.

HB 26 – Adds four Alaska Native languages to the state’s official language tally and renamed the council that advocates for their survival and revitalization.

[SB 22](#) – Establishes June 19<sup>th</sup> as an official state holiday to recognize the day slavery ended.

[HB 148](#) – The bill started as just the Alaska Performance Scholarship program. Added to the bill was the Alaska Technical and Vocational Education Program (TVEP) funding bill and the extension of the education tax credit. The bill amends the qualification criteria for an Alaska Performance Scholarship applicant by adding career and technical education (CTE) to the academic curriculum considered for a scholarship and creates career clusters where CTE credits can be substituted for core classes. For the postsecondary level, this bill raises the award amounts for all three levels to keep up with inflation and removes the requirement for a college entrance exam. Additionally, the eligibility period for receiving the scholarship is extended from six to eight years.

The legislation permanently eliminates the sunset date, changes some funding allocations for grant distributions and adds additional grantees under AS 23.15.835(d) for the Alaska Technical and Vocational Education Program (TVEP). The state unemployment tax paid by employers and workers to fund training was increased from .16% to .25% which offsets the addition of new grantees.

Last, the bill expands the education tax credit to include donations made to nonprofit resource centers that support academic achievement in grades 9 through 12 for curricula and competition in various subject areas. The new provisions take effect July 1, 2024. This bill also increases the credit limit from \$1 million to \$3 million annually per taxpayer. The bill extends the sunset provisions to January 1, 2029.

#### **Fish and Game and Boat Bills:**

[SCR 10](#) – creates a task force to address the challenges currently being faced by the seafood industry. The task force will identify which elements of the crisis that may be solved through governmental policy and provide possible solutions.

[HB 272](#) –The bill authorizes the Alaska Board of Game to establish annual big game hunting seasons in areas specifically for Alaskans with physical disabilities.

[HB 295](#) – Individuals or organizations will now be allowed to purchase salmon from a state hatchery for stocking a lake in Alaska. The bill does not include the sale of eggs. The Alaska Department of Fish and Game will issue the required permits.

[HB 19](#) – This bill removes the requirement for commercial fishing vessels with US Coast Guard (USCG) documentation and a license issued under Title 16 to register under AS 05.25.055. It also exempts from numbering and registration commercial fishing vessels that are licensed under AS 16.05.490 or 16.05.530. (Passed after midnight).

[HB 345](#) – Requires safety ladders in all harbor projects that receive money from the state’s harbor facility grant fund.

[SB 93](#) – The Alaska fishermen’s fund reimburses licensed fishermen and boat owners for their out-of-pocket medical costs if they have been injured or have a qualified illness while fishing offshore or doing fishing-related work onshore. The fund maximum pay-out was increased to \$15,000 and added viral illness to the list of eligible illnesses.

## **Business Bills:**

[HB 273](#) – This bill grants the Alaska Housing Finance Corporation (AHFC) board of directors the opportunity to adjust its loan-to-value ratios, to allow homebuyers to purchase a home using a smaller down payment. It also establishes a subsidiary to function as a Green Bank to leverage federal funds and other opportunities to advance sustainable energy development projects in the state.

[SB 154](#) – Provides that a company that employs a graduate or participant in “a United States Department of Defense SkillBridge or United States Army career skills program” can get a bidder preference of up to \$5,000 when competing for a state contract. The bill also creates a “military and veteran help desk” under the Alaska Department of Military and Veterans Affairs. The help desk will serve as a central clearinghouse for questions that members of the military and their families have about Alaska and state services.

[SB 127](#) – This bill requires vehicle rental platforms such as Turo to collect and remit the existing rental car tax to the state. While Alaska taxes all rental vehicles, current law does not provide a structure for sharing platforms such as Turo to comply. This bill will require Turo and other similar platforms to collect the tax on their app and remit the tax to the state.

[HB 233](#) – This legislation requires auto manufacturers to pay their Alaska dealers fairly for warranty work by Alaska mechanics.

[SB189](#) – The bill extends the Commission on Aging. In the last days of session the childcare tax credit proposal was amended into the bill. The tax credit increases the maximum education/childcare tax credit to \$3 million a year for eligible taxpayers. This encourages private business taxpayers to contribute to their employees' childcare expenses, and it will expand the number of families that can participate in the childcare assistance program.

[SB 118](#) – Creates a long-term mining development plan for “critical and essential minerals” important to high-tech and defense manufacturing. The bill directs the Alaska Department of Natural Resources to identify strategies to increase industry exploration for and state production and development of critical and essential minerals in the next three, five, and ten years.

[SB 179](#) – Originally proposed in HB347/SB242, this legislation requires standards for municipal property assessment and was added to another bill relating to property assessment. The bill it was added to, among other things, prohibits the taxation of property transfers. Communities currently taxing property transfers are grandfathered in. The bill also did the following:

- Expanded the Agriculture Land and Structures mandatory exemption, which will affect governments that collect property tax.
- Added the Assessors bill, which includes requirements for Level 3 certification for assessors, meetings with the public, and more.
- Removes the 2.65 floor for optional economic development exemptions.

[SB 67](#) – This bill prohibits the use of PFAS-containing foam with a delayed effective date for the oil and gas industry.

[HB 189](#) – Allows employees over age 18 to serve alcohol (Passed after midnight).

[HB 203](#) – Allows private employers to use electronic payroll system (Passed after midnight).

[SB 147](#) – Updated the Alaska Worker’s Compensation program. An amendment rolled into the bill also extended the senior benefits program by ten years. This program provides monthly payments to elderly low-income Alaskans.

**Health Care Bills:**

[HB 344](#) – Authorizes the Alaska Department of Health to apply for a section 1115 Medicaid waiver to explore demonstration projects focused on addressing health-related needs and support services for Alaska Medicaid recipients. Pursuing a waiver will enable the Department to employ evidence-based, Alaska-specific strategies to improve health outcomes and lower the cost of Medicaid to the state treasury. The bill was amended in the last days to add HB 196, which should ease the backlog with food stamps by switching to an easier assets calculation system. Broad based categorical eligibility makes households with incomes less than twice the federal poverty line eligible for the program. Previously, the threshold was 30% more than the poverty line in Alaska. The bill also removes a component called the asset test, which kept people with more than \$4,000 in savings from accessing food assistance.

It also added HB 343 into the bill, which expands school-based services to include all children who are Medicaid eligible and repeals the requirements that the child must be disabled and have an Individualized Education Program (IEP) to qualify. This will allow for Medicaid to pay for School Based Services provided in schools to eligible children with or without an IEP.

[HB 228](#) – This bill establishes a psychedelics task force to make regulatory recommendations should the federal government legalize psychedelic medicines.

[HB 17](#) – This bill allows up to twelve months of prescription contraceptives. This insurance law change is especially important for women in rural Alaska with limited access to pharmacies.

[HB 237](#) – Allows nurses with lapsed state licenses to be granted temporary permits valid for up to six months.

[SB 74](#) – Bill requires the state join a nationwide physical therapy licensing compact. [All but five states](#) have either enacted the compact or are considering legislation that would have them join it.

[HB 226](#) – Extends state regulatory oversight and adds guidelines for Pharmacy Benefit Managers, or PBMs. This is a priority bill for the Alaska pharmacists’ association, who say the PBMs are squeezing out independent pharmacies with pricing policies.

[SB 91](#)– Extends current approval of telehealth consultation with out-of-state physicians to the care teams they work with. This covers a gap in existing law that aids Alaskans needing critical care consultations, allowing them to consult out-of-state specialists via telehealth without having to leave Alaska.

## **Crime and Victims Bills:**

[SB 151](#)—This bill establishes the Murdered Missing Indigenous Persons (MMIP) Review Commission. This nine-member Commission brings individuals with diverse backgrounds and expertise together to review unresolved MMIP cases from around the state. This Commission will submit a report to the legislature every three years with their recommendations and findings. Along with the Commission's report, DPS must conduct a one-time needs assessment to determine how to increase protective and investigative resources for identifying and reporting MMIP cases. This Act also requests DPS to collaborate with the Commission on public outreach purposes and lastly, requires DPS to submit a missing persons report to the National Missing and Unidentified Persons System database. Provisions of this bill directs DPS to employ at least two permanent MMIP Investigators who would solely investigate MMIP cases and requires cultural training to be incorporated into police officer training.

[HB 66](#) is a comprehensive crime package. The crime bill takes the following steps:

- It increases the penalty for distributing fentanyl or methamphetamine that directly results in death. It will increase the crime from manslaughter to second degree murder.
- It makes the records of individuals who were convicted of minor marijuana offenses confidential, so long as they were 21 or older at the time of the offense. ([HB 28](#) by Rep. Stanley Wright)
- It closes a gap between our criminal justice system and our behavioral health system when a person is incompetent to stand trial and should be committed to the Alaska Psychiatric Institute. ([SB 53](#) by Sen. Claman)
- It ensures that out-of-state sex offenders who move to Alaska must register in Alaska ([SB 65](#) by the governor)
- It changes the term "child pornography" to "child sexual abuse material." ([HB 265](#) by Rep. Sarah Vance)
- It strengthens the restitution statute to better protect victims of crime. ([HB 286](#) by Rep. Julie Coulombe)
- Establishes the crime of assault in the presence of a child as a class A misdemeanor ([HB 11](#) by Rep. Andy Josephson)
- The bill allows police officers to summarize crime-victim statements in grand-jury proceedings. ([SB 65](#) by the governor)
- The bill directs the state to examine why minority groups are overrepresented in state prisons and make recommendations to reduce the number of people who commit crimes after being released from prison.
- A bipartisan compromise made it a Class B felony to induce someone into sex trafficking by withholding drugs or a passport.

## **Energy Bills:**

[HB 50](#) – The Governor's bill establishing a regulatory framework for carbon storage on state land passed, is expected to be signed into law, and was part of the adjournment package. Several other energy bills were added to HB50 (see below).

[RCA Regulate Cook Inlet Gas Storage – HB50](#): Enables the RCA to regulate and allow cost recovery for private storage of Cook Inlet gas and will help mitigate seasonal demand pressure.

[Cook Inlet Reserve-Based Lending – HB50](#): This bill allows AIDEA and AEA to issue reserve-based loans to Cook Inlet producers. This provision intends to assist Bluecrest access the capital needed to construct a new platform.

[Integration Transmission Systems – HB307](#): This bill was a Governor priority and was also part of the adjournment package. It creates a unified transmission system and reduces the added charges that can result from long-distance power transfers and restructures the way the regional utilities interact. It covers the four electric co-ops that run from the Kenai Peninsula to Fairbanks.

[Resolution Against NPR-A Proposed Rules – HJR20](#): Requests BLM to engage in more consultations with impacted organizations and withdraw proposed regulations that the local community and government opposed.

Last, hundreds of bills that did not pass have now died because this is the end of the second session. Below is a list of some of the larger bills that didn't make it across the finish line, some dying on the very last day in the very last moments of the session:

- Public employee retirement pensions
- Marijuana tax reduction (SB89/HB119)
- Elections - HB129 Voter Registration
- Cook Inlet royalty relief (House supported, Senate didn't)
- Permanent K-12 formula funding increase or education reform. A one-year fix to the correspondence school issue was added to HB 202 which passed, and one-time funding was added to the Base Student Allocation.
- Cook Inlet jack-up rig tax credits (HB387)
- Cook Inlet seismic free data (HB257)

There was no movement on fiscal policy or any long-range revenue planning.

This concludes this year's session. The budgets and all bills must still be signed or otherwise allowed to become law by Governor Dunleavy, and he has the ability to veto bills or reduce budget items by line-item veto. We will notify you if the budget changes and if a special session is called. Enjoy the summer and be safe. See you in January 2025, if not before.

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