## ALASKA STATE LEGISLATURE

### THIRTY-SECOND LEGISLATURE

### SECOND SPECIAL SESSION

Juneau, Alaska

#### Wednesday

June 23, 2021

### First Day

Pursuant to the June 18 Proclamation of the Governor calling for the convening of the Second Special Session of the Thirty-Second Alaska Legislature (page 1300), the Senate was called to order by President Micciche at 2:05 p.m.

The roll showed eleven members present. Senators Olson, Reinbold, Revak, von Imhof were excused from a call of the Senate. Senators Costello, Holland, Kawasaki, Myers, Shower were absent.

Senator Hughes moved and asked unanimous consent Senators Costello, Holland, Myers, Shower be excused from a call of the Senate today. Without objection, Senators Costello, Holland, Myers, Shower were excused.

Senator Begich moved and asked unanimous consent Senator Kawasaki be excused from a call of the Senate today. Without objection, Senator Kawasaki was excused.

The prayer was offered by the Chaplain, Senator Gray-Jackson. Senator Hoffman moved and asked unanimous consent the prayer be spread. Without objection, it was so ordered.

> Thank you for getting us back to Juneau safely. As we move forward with what should be less than a two-day special session, help us to put our egos aside and focus on our constituents and, specifically, our state employees who provide the services our citizens deserve. Help us to see the magnitude of what will happen if we don't do what we must efficiently and expeditiously.

Guide us in our efforts to work diligently while not seeking personal power and glory but to only do the right thing on behalf of the citizens of Alaska. And lastly help us to use this time wisely so we can move our state forward with a sustainable budget in place for fiscal year 2022 with a jump start on obtaining a comprehensive and sustainable fiscal plan. Amen.

Senator Gray-Jackson led the Senate in the Pledge of Allegiance.

### Certification

Senator Hughes moved and asked unanimous consent the journals for the twenty-eighth through thirtieth legislative days of the first special session be approved as certified by the Secretary. Without objection, it was so ordered.

### Messages from the Governor

### **Executive Proclamation**

Under the authority of Article II, Section 9, and Article III, Section 17, Constitution of the State of Alaska, and in the public interest, I call the Thirty-Second Legislature of the State of Alaska into its second special session in the legislative chambers in Juneau, Alaska, at 10:00 a.m., on June 23, 2021, to consider the following subjects:

• A bill similar to CCS HB 69 making CCS HB 69 effective immediately under AS 01.10.070(c); making appropriations from the Earnings Reserve account, including for the payment of Alaska Permanent Fund dividends; and making appropriations under Article IX, Section 17(c), Constitution of the State of Alaska, from the Constitutional Budget Reserve Fund.

Dated: June 18, 2021 at 3:14 p.m.

/s/ Mike Dunleavy Governor

### SB 87

Message was received stating the Governor signed the following bill on June 18 and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE BILL NO. 87 "An Act relating to credit for reinsurance; and providing for an effective date."

Chapter 11, SLA 2021 Effective Date: See Chapter

### SJR 8

Message dated June 16 was received stating the Governor read the following resolution and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

CS FOR SENATE JOINT RESOLUTION NO. 8(RES) Urging the Alaska delegation in Congress, the United States Department of the Interior, and the Governor to facilitate a land grant endowment to the University of Alaska; urging the Alaska delegation in Congress to reintroduce the University of Alaska Fiscal Foundation Act; and urging the Department of Natural Resources to work with the University of Alaska to identify lands suitable for the land endowment.

Legislative Resolve No. 4

### HJR 14

Message dated June 16 was received stating the Governor read the following resolution and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

HOUSE JOINT RESOLUTION NO. 14 Supporting the passage by the United States Congress of the SAFE Banking Act of 2019, sec. 110606 of the Heroes Act, or similar legislation relating to cannabis-related legitimate businesses' access to financial services.

Legislative Resolve No. 6

### 1302

June 23, 2021

### **Introduction and Reference of Senate Bills**

#### SB 2001

SENATE BILL NO. 2001 BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR, entitled:

"An Act making appropriations for the operating and loan program expenses of state government and for certain programs; capitalizing funds; amending appropriations; making capital appropriations, supplemental appropriations, and reappropriations; making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional budget reserve fund; and providing for an effective date."

was read the first time and referred to the Finance Committee.

Governor's transmittal letter dated June 22:

Dear President Micciche:

Under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill relating to State operating and capital appropriations for Fiscal Year 2022, making an appropriation from the Permanent Fund Earnings Reserve Account for the payment of Permanent Fund dividends for Fiscal Year 2022, making supplemental appropriations for Fiscal Year 2021, and providing for effective dates.

Absent a valid appropriation bill to fund operating expenses by July 1, 2021, most state government programs will be forced either to cease operations or make unauthorized expenditures under Article IX, Section 13, of the Alaska Constitution. This appropriation bill funds government operations, including strategic investments in public safety and emergency management, and funds K-12 education per the statutory formula, and does so starting July 1, if passed with the appropriate effective date.

This appropriation bill contains budget measures that passed the legislative bodies during the first regular legislative session of the Thirty-Second Legislature. Exceptions in this bill include changes to the fund source for items that were funded from the Constitutional Budget Reserve and Statutory Budget Reserve accounts, and changes to the Fiscal Year 2022 Permanent Fund Dividend (PFD). The PFD amount has been adjusted to reflect 50 percent of the five percent Permanent Fund percent of market value (POMV), and has been appropriated from the Earnings Reserve account. This dividend amount is an attempt to reconcile the existing tension between the PFD statute and the POMV statute while the legislature and my administration continue to work on a long-term structural solution this year.

While this appropriation bill does not use the Constitutional Budget Reserve as a funding source, it does contain "reverse sweep" language for Fiscal Year 2021 should the legislature achieve the three-quarter vote necessary to pass that provision.

Finally, once the legislature has passed and transmitted the Fiscal Year 2022 operating and capital appropriations bills, I will conduct a thorough analysis and veto review.

Sincerely, /s/ Mike Dunleavy Governor

### **Unfinished Business**

Senator Stevens moved and asked unanimous consent to be excused from a call of the Senate from August 20 through August 23. Without objection, Senator Stevens was excused.

Senator Begich moved and asked unanimous consent to be excused from a call of the Senate from September 1 through September 27. Without objection, Senator Begich was excused.

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June 23, 2021

#### Announcements

Rule 23(d) of the Alaska State Legislature Uniform Rules is currently in effect.

Announcements are at the end of the journal.

### Enrollment

### SB 87

SENATE BILL NO. 87 "An Act relating to credit for reinsurance; and providing for an effective date" was enrolled, signed by the President and Secretary, Speaker and Chief Clerk and the engrossed and enrolled copies transmitted to the Office of the Governor at 8:50 a.m., June 17, 2021.

Memorandum from the Division of Legal and Research Services, Legislative Affairs Agency, reporting the following manifest errors in SB 87, which have been corrected in enrolling:

Page 1, line 6: Delete "(1) - <u>(7)</u> [(6)]" Insert "<u>(1) - (7)</u> [(1) - (6)]"

- Page 13, line 4: Delete "(1) - <u>(6)</u> [(5)]" Insert "<u>(1) - (6)</u> [(1) - (5)]"
- Page 14, line 22: Delete "is"
- Page 14, line 23, following "(A)": Insert "is"
- Page 14, line 26: Delete "for purposes of" Insert "in"

Page 14, line 27: Delete "a"

Page 15, line 3, following "(B)": Insert "is"

Page 15, line 6, following "(C)": Insert "is"

### Adjournment

Senator Hughes moved and asked unanimous consent the Senate stand in adjournment until 10:30 a.m., June 25, 2021. Without objection, the Senate adjourned at 2:43 p.m.

> Liz Clark Secretary of the Senate

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June 23, 2021

#### Announcements

Americans with Disabilities Act Notice - Persons with disabilities who require special accommodation or alternative communication formats to access committee meetings may contact the appropriate committee office or the Legislative Information Office in their community. Reasonable advance notice is needed to accommodate the request. For further information, call the ADA Coordinator at 465-3854 Voice/465-4980 TDD.

### STANDING COMMITTEES

+ indicates teleconference

= indicates bill previously heard/scheduled

#### **EDUCATION**

Jul 27	Tuesday	Anch Lio Denali Rm	1:00 PM
+	<joint education="" hearing="" house="" with=""></joint>		
	Presentation: "Early Learning Policies - Lessons		
	from Mississippi" by Commissioner Michael		
	Johnson & Dr. C	arey Wright	

### JOINT COMMITTEES

### **LEGISLATIVE BUDGET & AUDIT**

Jul 21	Wednesday	Anch Lio Denali Rm	11:00 AM	
	Teleconference			
+	Executive Session			
	a. Final Audit Report: State Physical Therapy			
	and Occupational Therapy Board (Sunset)			
	b. Preliminary Audit Reports: Alaska Mental			
	Health Trust Authority (Special), Board of			
	Examiners in Optometry (Sunset)			