

ALASKA STATE LEGISLATURE
SENATE COMMUNITY AND REGIONAL AFFAIRS STANDING COMMITTEE

April 19, 2022

3:30 p.m.

MEMBERS PRESENT

Senator Shelley Hughes, Chair
Senator David Wilson
Senator Elvi Gray-Jackson

MEMBERS ABSENT

Senator Robert Myers, Vice Chair
Senator Lyman Hoffman

COMMITTEE CALENDAR

HOUSE BILL NO. 227

"An Act relating to municipal energy and resilience improvement assessment programs; and providing for an effective date."

- MOVED SCS HB 227(CRA) OUT OF COMMITTEE

SENATE BILL NO. 144

"An Act relating to disaster emergencies."

- MOVED CSSB 144(CRA) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HB 227

SHORT TITLE: MUNI ENERGY IMPROVEMNT ASSESSMENT PROGRAM

SPONSOR(S): REPRESENTATIVE(S) SCHRAGE

01/18/22	(H)	PREFILE RELEASED 1/7/22
01/18/22	(H)	READ THE FIRST TIME - REFERRALS
01/18/22	(H)	ENE, CRA
01/20/22	(H)	ENE AT 10:15 AM ADAMS 519
01/20/22	(H)	Heard & Held
01/20/22	(H)	MINUTE(ENE)
01/27/22	(H)	ENE AT 10:15 AM ADAMS 519
01/27/22	(H)	Moved HB 227 Out of Committee
01/27/22	(H)	MINUTE(ENE)
01/31/22	(H)	ENE RPT 4DP 2NR

01/31/22 (H) DP: ZULKOSKY, CLAMAN, FIELDS, SCHRAGE
 01/31/22 (H) NR: KAUFMAN, RAUSCHER
 03/01/22 (H) CRA AT 8:00 AM BARNES 124
 03/01/22 (H) Heard & Held
 03/01/22 (H) MINUTE(CRA)
 03/03/22 (H) CRA AT 8:00 AM BARNES 124
 03/03/22 (H) Moved HB 227 Out of Committee
 03/03/22 (H) MINUTE(CRA)
 03/07/22 (H) CRA RPT 3DP 3NR 1AM
 03/07/22 (H) DP: DRUMMOND, HANNAN, SCHRAGE
 03/07/22 (H) NR: PATKOTAK, PRAX, MCCABE
 03/07/22 (H) AM: MCCARTY
 03/24/22 (H) SESSION CANCELED 3/23 - ON 3/24
 CALENDAR
 03/24/22 (H) TECHNICAL SESSION 3/24 - ON 3/28
 CALENDAR
 03/28/22 (H) ADJOURNED TO 3/29 CALENDAR
 03/29/22 (S) CRA AT 3:30 PM BELTZ 105 (TSBldg)
 03/29/22 (S) -- MEETING CANCELED --
 03/31/22 (H) SESSION CANCELED 3/29 - ON 3/30
 CALENDAR
 03/31/22 (H) SESSION CANCELED 3/30 - ON 3/31
 CALENDAR
 03/31/22 (H) TECHNICAL SESSION 3/31 - ON 4/4
 CALENDAR
 04/04/22 (H) TRANSMITTED TO (S)
 04/04/22 (H) VERSION: HB 227
 04/05/22 (S) CRA AT 3:30 PM BELTZ 105 (TSBldg)
 04/05/22 (S) -- MEETING CANCELED --
 04/06/22 (S) READ THE FIRST TIME - REFERRALS
 04/06/22 (S) CRA, L&C
 04/07/22 (S) CRA AT 3:30 PM BELTZ 105 (TSBldg)
 04/07/22 (S) -- MEETING CANCELED --
 04/12/22 (S) CRA AT 3:30 PM BELTZ 105 (TSBldg)
 04/12/22 (S) Heard & Held
 04/12/22 (S) MINUTE(CRA)
 04/19/22 (S) CRA AT 3:30 PM BELTZ 105 (TSBldg)

BILL: SB 144

SHORT TITLE: DISASTER EMERGENCY PROCLAMATIONS

SPONSOR(S): SENATOR(S) REINBOLD

01/18/22 (S) PREFILE RELEASED 1/7/22
 01/18/22 (S) READ THE FIRST TIME - REFERRALS
 01/18/22 (S) CRA, JUD
 03/01/22 (S) CRA AT 3:30 PM BELTZ 105 (TSBldg)
 03/01/22 (S) Heard & Held

03/01/22 (S) MINUTE (CRA)
04/19/22 (S) CRA AT 3:30 PM BELTZ 105 (TSBldg)

WITNESS REGISTER

REPRESENTATIVE CALVIN SCHRAGE
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Sponsor of HB 227.

DANIEL PHELPS, Staff
Senator Shelley Hughes
Alaska State Legislature
Anchorage, Alaska

POSITION STATEMENT: Reviewed the explanation of changes from version I to version W of SB 144.

DANIEL "BUDDY" WHITT, Staff
Senator Shelley Hughes
Alaska State Legislature
Palmer, Alaska

POSITION STATEMENT: Provided a brief overview of the committee substitute for SB 144.

KELLI TOTH, Staff
Senator Laura Reinbold
Alaska State Legislature
Anchorage, Alaska

POSITION STATEMENT: Reserved comment on SB 144, version W, until after she reviewed it with the sponsor.

ACTION NARRATIVE

[3:30:08 PM](#)

CHAIR SHELLEY HUGHES called the Senate Community and Regional Affairs Standing Committee meeting to order at 3:30 p.m. Present at the call to order were Senators Gray-Jackson, Wilson, and Chair Hughes.

HB 227-MUNI ENERGY IMPROVEMNT ASSESSMENT PROGRAM

[3:30:50 PM](#)

CHAIR HUGHES announced the consideration of HOUSE BILL NO. 227 "An Act relating to municipal energy and resilience improvement assessment programs; and providing for an effective date."

She advised that the committee would start with the consideration of amendments.

[3:31:19 PM](#)

CHAIR HUGHES moved to adopt Amendment 1, work order 32-LS1028\I.11.

32-LS1028\I.11
Dunmire
4/13/22

AMENDMENT 1

OFFERED IN THE SENATE

BY SENATOR HUGHES

TO: HB 227

Page 3, line 24, following "**management**":

Insert "**snow load management**,"

[3:31:28 PM](#)

SENATOR D. WILSON objected for discussion purposes.

CHAIR HUGHES explained that Amendment 1 reflects the discussion during the previous hearing to specifically identify "snow load management" as a resilience improvement project.

[3:32:03 PM](#)

SENATOR D. WILSON removed his objection to the adoption of Amendment 1.

CHAIR HUGHES found no further objection, and Amendment 1 was adopted.

[3:32:15 PM](#)

SENATOR D. WILSON moved to adopt Amendment 2, work order 32-LS1028\I.9, on behalf of Senator Myers,

32-LS1028\I.9
Dunmire
4/14/22

AMENDMENT 2

OFFERED IN THE SENATE

BY SENATOR MYERS

Page 10, following line 22:

Insert new bill sections to read:

**** Sec. 24.** AS 29.10.200(64); AS 29.35.200(b)(6), 29.35.210(a)(14), 29.35.210(b)(6); AS 29.55.100, 29.55.105, 29.55.110, 29.55.115, 29.55.120, 29.55.125, 29.55.130, 29.55.135, 29.55.140, 29.55.145, 29.55.150, 29.55.155, 29.55.160, and 29.55.165 are repealed.

*** Sec. 25.** The uncodified law of the State of Alaska is amended by adding a new section to read:

TRANSITION: CONTINUED SERVICING OF WRITTEN CONTRACTS. A municipality that has established an energy and resilience improvement assessment program under AS 29.55.100 - 29.55.165 before June 30, 2052, shall continue to service a written contract made under the energy and resilience improvement assessment program through the remainder of the contract. However, a property owner and a lender may convert a written contract made under the energy and resilience improvement assessment program to a loan if both parties agree to the conversion.

*** Sec. 26.** Sections 24 and 25 of this Act take effect June 30, 2052."

Renumber the following bill section accordingly.

Page 10, line 23:

Delete "This"

Insert "Except as provided in sec. 26 of this Act, this"

CHAIR HUGHES objected for discussion purposes.

[3:32:20 PM](#)

SENATOR D. WILSON explained that Amendment 2 adds a 30-year sunset to the program, but allows the continuation of any existing contracts. The amendment also provides the opportunity for property owners and lenders to convert these loans to conventional financing if both parties agree.

CHAIR HUGHES asked whether this would be the longest sunset date in statute.

SENATOR D. WILSON answered that he was not aware of any other 30-year sunsets in statute.

CHAIR HUGHES asked for confirmation that municipalities would be compelled to continue to service a contract made under the energy and resilience improvement assessment program if it were written before the sunset date.

SENATOR D. WILSON confirmed that was correct.

CHAIR HUGHES asked the sponsor if he would like to comment on the amendment.

[3:34:00 PM](#)

REPRESENTATIVE CALVIN SCHRAGE, Alaska State Legislature, Juneau, Alaska, sponsor of HB 227, stated that Amendment 2 is a little problematic. He relayed his concern about someone who might enter a 30-year contract say 10 years from now. Although the municipality would still have the authority to service the lien, it's not clear that it would continue to have the authority to apply the voluntary assessment, which is required for the program to function. He was waiting for a memo from Legislative Legal Services to alleviate his concern. He acknowledged that it was the committee's prerogative to adopt the amendment but he would point out that this is an existing program and it did not have a sunset when it became law in 2017.

CHAIR HUGHES expressed her willingness to work with the drafters to ensure that a municipality could continue to administer the program for the remainder of any contract that extended beyond the 30 year sunset. She asked whether the bill had a referral to another committee.

REPRESENTATIVE SCHRAGE answered that it will go to the Senate Labor and Commerce Committee next.

CHAIR HUGHES restated her commitment to ensure that municipalities would be able to continue to service the loans for the duration of the contract. If the problem isn't resolved in the next committee of referral, she would work on it on the floor.

[3:36:42 PM](#)

SENATOR GRAY-JACKSON asked if he had talked to anybody in the Municipality of Anchorage about his concern.

REPRESENTATIVE SCHRAGE answered no; he only learned about the amendment very recently and he was hoping that Legal Services could answer some of his questions. He added that he might be more supportive if he had those answers.

SENATOR GRAY-JACKSON advised him to have a conversation with Legal Services and someone at the Municipality of Anchorage before the bill is heard in Labor and Commerce so that she and the other members of that committee could try to address the issue before the bill reaches the floor.

CHAIR HUGHES removed her objection; finding no further objection, Amendment 2 was adopted.

[3:38:04 PM](#)

CHAIR HUGHES opened public testimony on HB 227; finding none, she closed public testimony.

[3:38:47 PM](#)

SENATOR D. WILSON moved to report HB 227, work order 32-LS1028\I as amended, from committee with individual recommendations and attached fiscal note(s).

CHAIR HUGHES found no objection and SCS HB 227(CRA) was reported from the Senate Community and Regional Affairs Standing Committee.

[3:39:04 PM](#)

At ease.

SB 144-DISASTER EMERGENCY PROCLAMATIONS

[3:41:28 PM](#)

CHAIR HUGHES reconvened the meeting and announced the consideration of SENATE BILL NO. 144 "An Act relating to disaster emergencies."

[3:41:39 PM](#)

SENATOR D. WILSON moved to adopt the CS for SB 144, work order 32-LS0434\W, as the working document.

[3:41:48 PM](#)

CHAIR HUGHES objected for purposes of explanation. She invited Daniel Phelps to review the explanation of changes from version I to version W of SB 144.

[3:42:00 PM](#)

At ease.

[3:42:20 PM](#)

CHAIR HUGHES reconvened the meeting.

DANIEL PHELPS, Staff, Senator Shelley Hughes, Alaska State Legislature, Anchorage, Alaska, reviewed the following explanation of changes from version I to version W of SB 144.

[Original punctuation provided.]

Change 1 - AS 18.15.390 (b) is removed from the bill and the remaining sections are renumbered accordingly.

Change 2 - Section 1 AS 22.10.020 (j) is amended by removing the reference to AS 26.23.023 and changing the requirement of the superior court to expedite consideration of challenges to the lawfulness of state and local emergency orders from 72 hours to 5 days.

Change 3 - Section 2 AS 26.23.020 (c) is amended to state that a substantially similar proclamation of statewide disaster emergency may not take effect unless the legislature approves it by law. New language is added to state that the legislature may terminate or amend a proclamation of disaster emergency by law including through teleconference or digital means. The limitation that a governor may not issue more than one proclamation for the same or related disaster emergency has been removed.

Change 4 - Section 3 AS 26.23.020 adds two new subsections. Subsection (l) establishes that in cases where a substantially similar disaster emergency proclamation is issued, or the legislature extends a statewide declaration of disaster emergency by law that the governor shall provide the legislature and the general public an advisory economic impact assessment or potential economic effects caused by the proclamation or declaration. Subsection (m) establishes that at the conclusion of a statewide disaster emergency which has been extended beyond 30 days, the governor shall provide the legislature and the general public a report detailing the economic impacts of the disaster, the declaration of disaster emergency, and of any subsequent orders related to the declaration of disaster emergency within one year of lifting the declaration.

Change 5 - AS 26.23.023 is removed from the bill and the remaining sections are renumbered accordingly.

Change 6 - Section 4 AS 24.05.105 adds a new subsection providing the legislature with the ability to declare an emergency and discontinue meeting physically because of the emergency and establishes means of remote participation and voting.

Change 7 - Section 5 AS 29.10.200 is amended with clarifying and conforming language that limits home rule powers for statewide disaster emergencies and municipal emergency orders.

Change 8 - Section 6 AS 29.20.650 is amended to state that a municipality may not issue a mandate, guideline, or recommendation that is stricter than a mandate, guideline, or recommendation contained in a statewide declaration of disaster emergency.

Change 9 - Section 7 AS 22.10.020 (j) adds a new section clarifying that Section 1 has the effect of amending Rule 40 of the Alaska Rules of Civil Procedure and conditions the passage of Section 1 on a two-thirds majority vote of each house.

[3:46:07 PM](#)

CHAIR HUGHES commented that the Senate Community and Regional Affairs Committee worked extensively with the bill sponsor to fine-tune the CS for SB 144. She invited Buddy Whitt to give a brief history of the changes.

[3:47:13 PM](#)

DANIEL "BUDDY" WHITT, Staff, Senator Shelley Hughes, Alaska State Legislature, Palmer, Alaska, stated that after the first hearing on SB 144 he reached out to learn what the sponsor sought to accomplish with the bill and understand the purpose of each section. After several conversations it became clear that the sponsor was motivated to ensure that there is clear language in the law that specifies the governor's and the legislature's duties in the event of a statewide disaster declaration. To that end, the CS removes some language so the bill focuses entirely on statewide disaster declarations, and uses that as the basis for the other policy recommendations in the bill. During those initial conversations it also became clear that there is no actionable mechanism for the legislature to do its duty if it can't meet as a body. To resolve that issue, the CS incorporates language from a bill going through the other body that provides a comprehensive way for the legislature to meet and do its

business remotely in the event of another statewide disaster declaration.

[3:51:49 PM](#)

CHAIR HUGHES commented on the importance of the bill and relayed her belief that the intent was to embolden the legislature to place a check on the governor during a disaster declaration, although the mechanism was missing for the legislature to act without convening in Juneau. The CS incorporates the language from a bill Representative Chris Tuck introduced several years ago that provides a mechanism for the legislature to vote when it meets remotely. She acknowledged that the bill still needed work and that it could be done in the Judiciary Committee. She explained that the CS removed Section 1 because it referenced action by commissioners and it should be very clear that in the executive branch "the buck stops" with the governor. She agreed with Mr. Whitt that the CS focuses on statewide disaster declarations as opposed to regional disaster declarations. The CS also includes an economic assessment and the Court Rule change; both were deemed important.

[3:55:34 PM](#)

CHAIR HUGHES removed her objection; finding no further objection, CSHB 144, version W, was adopted.

[3:55:46 PM](#)

SENATOR D. WILSON asked whether the bill in the other body had a fiscal note attached.

MR. WHITT answered that the bill has not had a hearing so no fiscal note had been generated.

MR. WHITT relayed that the CS includes the Court Rule change because Section 1 directs the court to [expedite any constitutional challenge that may arise from a statewide emergency order]. He said this will be discussed further in the Judiciary Committee, but he wanted the committee to be aware that passing a Court Rule change requires a two-thirds vote on the floor.

CHAIR HUGHES asked the sponsor's staff whether she had any comments on the CS.

[3:57:28 PM](#)

KELLI TOTH, Staff, Senator Laura Reinbold, Alaska State Legislature, Anchorage, Alaska, stated that she had not had an

opportunity to review the CS with the sponsor, and therefore had no comprehensive comments at this time.

CHAIR HUGHES welcomed Ms. Toth to join the conversations about SB 144 that will take place in her office and in the Judiciary Committee.

[3:58:59 PM](#)

CHAIR HUGHES opened public testimony on SB 144; finding none, she closed public testimony.

[3:59:32 PM](#)

SENATOR D. WILSON moved to report SB 144, work order 32-LS0434\W, from committee with individual recommendations and attached fiscal note(s).

[3:59:48 PM](#)

CHAIR HUGHES found no objection and CSSB 144 (CRA) was reported from Senate Community and Regional Affairs Standing Committee.

[3:59:53 PM](#)

There being no further business to come before the committee, Chair Hughes adjourned the Senate Community and Regional Affairs Standing Committee meeting at 3:59 p.m.