

SENATE FINANCE COMMITTEE

April 17, 2024

9:01 a.m.

9:01:34 AM

CALL TO ORDER

Co-Chair Stedman called the Senate Finance Committee meeting to order at 9:01 a.m.

MEMBERS PRESENT

Senator Bert Stedman, Co-Chair
Senator Click Bishop
Senator Jesse Kiehl
Senator Kelly Merrick
Senator David Wilson

MEMBERS ABSENT

Senator Lyman Hoffman, Co-Chair
Senator Donny Olson, Co-Chair

ALSO PRESENT

Ken Alper, Staff to Senator Donny Olson; Almeria Alcantra, Staff to Senator Donny Olson; Ken Alper, Staff to Senator Donny Olson; Jeff Stepp, Staff to Senator Elvi Gray-Jackson; Tim Lamkin, Staff to Senator Gary Stevens.

PRESENT VIA TELECONFERENCE

Shylena Lie, Manilaq Crisis Center, Kotzebue; Noah Klein, Attorney, Legislative Legal Services.

SUMMARY

SB 118 CRITICAL NATURAL RESOURCES; REPORTS

CSSB 118(FIN) was REPORTED out of committee with four "do pass" recommendations and with one "no recommendation" recommendation, and with one new fiscal impact note from the Department of Commerce, Community and Economic Development, and one previously published fiscal impact note: FN 1(DNR).

SB 151 MISSING/MURDERED INDIGENOUS PEOPLE;REPORT

CSSB 151(FIN) was REPORTED out of committee with five "do pass" recommendations and with one new fiscal impact note from the Department of Public Safety.

SB 183 WORKERS' COMP BENEFITS GUARANTY FUND

SB 183 was REPORTED out of committee with four "do pass" recommendations and with one "no recommendation" recommendation, and with one previously published zero fiscal note: FN 1(LWF).

SB 189 EXTEND ALASKA COMMISSION ON AGING

SB 189 was REPORTED out of committee with five "do pass" recommendations and with one new fiscal impact note from the Department of Health.

SB 205 AHFC AUTHORITY TO ACQUIRE BUILDING

SB 205 was REPORTED out of committee with four "do pass" recommendations and with one "no recommendation" recommendation, and with one new fiscal impact note from the Department of Revenue.

SB 236 GRANTS TO DISASTER VICTIMS

CSSB 236(FIN) was REPORTED out of committee with three "do pass" recommendations and with two "no recommendation" recommendations, and with one new indeterminate fiscal note from the Department of Military and Veterans' Affairs.

SB 259 COMPENSATION FOR CERTAIN STATE EMPLOYEES

SB 259 was heard and HELD in Committee for further consideration.

SCR 10 JOINT LEGIS SEAFOOD INDUSTRY TASK FORCE

CSSCR 10(FIN) was REPORTED out of committee with five "do pass" recommendations and with one new zero fiscal note from the Legislature.

Co-Chair Stedman discussed the agenda.

#sb151

SENATE BILL NO. 151

"An Act establishing the Missing and Murdered Indigenous Persons Review Commission; relating to missing and murdered indigenous persons; relating to the duties of the Department of Public Safety; and providing for an effective date."

9:03:06 AM

Co-Chair Stedman relayed that the committee first heard SB 151 on March 21, and would be adopting a committee substitute.

Senator Merrick MOVED to ADOPT proposed committee substitute for SB 151, Work Draft 33-LS0052\H (C. Radford, 4/11/24).

Co-Chair Stedman OBJECTED for discussion.

9:04:16 AM

KEN ALPER, STAFF TO SENATOR DONNY OLSON, explained that the bill set up a task force and commission, and dedicated public safety resources to the issue of Missing and Murdered Indigenous Persons (MMIP).

9:05:03 AM

ALMERIA ALCANTRA, STAFF TO SENATOR DONNY OLSON, discussed a Summary of Changes document (copy on file):

Change #1 Adds mandatory reporting to National Missing and Unidentified Persons System database within 60 days after a first report is filed with local or state law enforcement.

Change #2 Makes the Missing and murdered Indigenous Persons Review Commission permanent, rather than sunseting in 2027. Additional language is added to establish three-year terms, a limit on members being able to serve two consecutive terms, and structure for the term length for the initial appointees.

Change #3 The commissions' report now recurs every three years. Change #4 Tightened the language to ensure that work of the commission is not subject to subpoena. This is to protect the confidentiality of the commission and the privacy of victims and families.

Change #5 Adds clarifying language that commission members can be involved in cases in their normal employment that were reviewed by the commission.

Change #6 The submission date for the DPS report on investigative resources was moved from January 1, 2026 to 2027.

We have also provided the committee with a memo from Legislative Legal Services addressing issues of confidential documents used by the commission.

[9:06:15 AM](#)

Co-Chair Stedman WITHDREW his OBJECTION. There being NO further OBJECTION, it was so ordered.

Co-Chair Stedman asked Ms. Alcantra to provide a brief overview of the bill for the public.

Ms. Alcantra explained that the bill would put two MMIP investigators in state statute, create the MMIP Review Commission, require a report from the commission every three years, and require DPS to perform a needs assessment to determine what was needed by the department to properly address the significant problem of Missing and Murdered Indigenous Persons.

Co-Chair Stedman asked why the bill was necessary.

Ms. Alcantra explained that the issue of MMIP had been longstanding in the state and had never been properly addressed. She cited that there were hundreds of cases throughout the state. She said that the commission created by the legislation would be tasked with creating a cohesive way of combating the problem by coordinating the efforts of the public, media sources, and law enforcement, to combat the problem of MMIP in the state.

Mr. Alper pointed out that there was a memo from the Division of Legal and Research Services (copy on file). The memo spoke of confidentiality issues surrounding the commission and the protection of private information.

[9:09:23 AM](#)

Co-Chair Stedman OPENED public testimony.

SHYLENA LIE, MANILAQ CRISIS CENTER, KOTZEBUE (via teleconference), spoke in support of the bill. She explained that the center was a hub for 11 outlying villages. She shared that according to a 2022 Census, Nana Alaska Native Regional Corporation had reported 7,682 people, 80 percent of which were Alaska Native.

[9:11:04 AM](#)

Co-Chair Stedman CLOSED public testimony.

[9:11:18 AM](#)

Senator Bishop thanked the sponsor and his staff for bringing the bill forward.

Senator Wilson MOVED to report CSSB 151(FIN) out of Committee with individual recommendations and the accompanying fiscal note. There being NO OBJECTION, it was so ordered.

CSSB 151(FIN) was REPORTED out of committee with five "do pass" recommendations and with one new fiscal impact note from the Department of Public Safety.

#sb259

SENATE BILL NO. 259

"An Act relating to the basic salary schedule for compensation of state employees; and providing for an effective date."

[9:12:25 AM](#)

Co-Chair Stedman relayed that the bill had been originally heard on March 25, 2024. He announced that there was a committee substitute.

Senator Kiehl MOVED to ADOPT proposed committee substitute for SB 259, Work Draft 33-LS1475\U (Klein, 4/15/24).

Co-Chair Stedman OBJECTED for discussion.

[9:13:10 AM](#)

KEN ALPER, STAFF TO SENATOR DONNY OLSON, explained that the bill was intended to resolve legal short coming due to legislation passed previously. He discussed the changes in the CS and noted that a new fiscal note that reflected the changes in the CS was forthcoming.

Co-Chair Stedman WITHDREW his OBJECTION. There being NO further OBJECTION, it was so ordered.

Co-Chair Stedman asked for Mr. Alper for

Mr. Alper explained that the bill was about pay tables currently in statute. He shared that the bill would allow for updates to the exempt employee pay table, currently in statute, to be periodically updated to be commensurate with the supervisory union contract pay table, without requiring an act of the legislature.

[9:16:26 AM](#)

Co-Chair Stedman OPENED public testimony.

[9:16:48 AM](#)

Co-Chair Stedman CLOSED public testimony.

[9:16:55 AM](#)

Senator Kiehl MOVED to ADOPT Amendment 1, Work Draft 33-LS1475\U (Klein, 4/15/24).

Co-Chair Stedman OBJECTED for discussion.

[9:17:15 AM](#)

JEFF STEPP, STAFF TO SENATOR ELVI GRAY-JACKSON, explained that certain employees of the Executive, Judicial, and the University of Alaska were not included in codified law, which required the amending on uncodified law so those employees could receive parallel salary increases.

Co-Chair Stedman asked Mr. Stepp to define "uncodified law."

Mr. Alper summarized that uncodified law indicated that the provision did not have a statute number attached to it.

[9:19:20 AM](#)

AT EASE

[9:19:31 AM](#)

RECONVENED

NOAH KLEIN, ATTORNEY, LEGISLATIVE LEGAL SERVICES (via teleconference), explained that the difference between codified and uncodified law was that codified law appeared in statute books and was permanent, whereas provisions and uncodified law were temporary and not in the statute books.

Co-Chair Stedman WITHDREW his objection. There being no further objection Amendment 1 was ADOPTED.

SB 259 was heard and HELD in Committee for further consideration.

[9:21:08 AM](#)

AT EASE

[9:22:54 AM](#)

RECONVENED

#sb118

SENATE BILL NO. 118

"An Act relating to critical and essential minerals and the global energy transition."

[9:23:19 AM](#)

Co-Chair Stedman recounted that the committee had first heard the bill on March 13, 2024, and too public testimony.

Senator Merrick MOVED to ADOPT proposed committee substitute for SB 118, Work Draft 33-ls0706\U (Dunmire, 4/9/24).

Co-Chair Stedman OBJECTED for discussion.

9:24:04 AM

Mr. Alper discussed the changes to the bill proposed in the CS for SB 118. He read from a Summary of Changes document (copy on file):

Changes in Finance CS, Version "A" to "U" April 17, 2024 Change #1 Clarifies the legislative intent for a strategic plan to encourage mineral development.

Change #2 Clarifies we're maintaining the state's existing environmental standards.

Change #3 Adds Native corporations to the list of entities that DNR will consult with in developing their report.

Change #4 Removes references in the bill to a specific list of minerals.

Change #5 Allows the Commerce report to be contracted to ISER, which is intended to reduce the fiscal note.

Mr. Alper noted that there was an updated fiscal note from the Department of Commerce, Community, and Economic Development that reduced the cost associated with the bill by \$300,000.

Co-Chair Stedman WITHDREW his OBJECTION. There being NO further OBJECTION, it was so ordered.

9:25:58 AM

Co-Chair Stedman asked Senator Merrick to provide a summary of the bill.

Senator Merrick explained that the bill was intended to help Alaska develop a strategic plan to develop essential minerals in the state. She stated that currently the country relies on adversarial nations to provide essential minerals.

Co-Chair Stedman mentioned that "adversarial nations" did not mean Canada.

Senator Merrick clarified that she was referring to China.

Senator Merrick MOVED to report CSSB 118(FIN) out of Committee with individual recommendations and the accompanying fiscal notes. There being NO OBJECTION, it was so ordered.

CSSB 118(FIN) was REPORTED out of committee with four "do pass" recommendations and with one "no recommendation" recommendation, and with one new fiscal impact note from the Department of Commerce, Community and Economic Development, and one previously published fiscal impact note: FN 1(DNR).

#sb236

SENATE BILL NO. 236

"An Act relating to grants to disaster victims."

[9:27:41 AM](#)

Co-Chair Stedman shared that public testimony was taken during the bill's first hearing on March 12, 2024.

Senator Kiehl MOVED to ADOPT proposed committee substitute for SB 236, Work Draft 33-LS1142\R (Dunmire/Marx, 4/8/24).

Co-Chair Stedman OBJECTED for discussion.

Mr. Alper explained that there was a single change to the bill in Section 2, which resolved an issue raised in the initial fiscal note. The CS clarified that the total combined assistance would not exceed \$50,000.

Co-Chair Stedman WITHDREW his OBJECTION. There being NO further OBJECTION, it was so ordered.

Co-Chair Stedman asked Senator Kiehl to provide a brief overview of the bill.

Senator Kiehl explained that the bill would ensure that owners of condominiums would be eligible for relief from damage caused by disaster that was commensurate with homeowners. He continued that the second provision had to do with state grants being made available up to \$50,000.

[9:31:05 AM](#)

AT EASE

[9:31:16 AM](#)

RECONVENED

Senator Kiehl MOVED to report CSSB 236(FIN) out of Committee with individual recommendations and a forthcoming fiscal note. There being NO OBJECTION, it was so ordered.

CSSB 236(FIN) was REPORTED out of committee with three "do pass" recommendations and with two "no recommendation" recommendations, and with one new indeterminate fiscal note from the Department of Military and Veterans' Affairs.

#scr10

SENATE CONCURRENT RESOLUTION NO. 10

Establishing the Joint Legislative Seafood Industry Task Force.

[9:31:44 AM](#)

Co-Chair Stedman recounted that the resolution had been heard on March 7, 2024, at which time public testimony had been taken.

[9:32:36 AM](#)

AT EASE

[9:33:04 AM](#)

RECONVNERED

Senator Wilson MOVED to ADOPT proposed committee substitute for SCR 10, Work Draft 33-LS1469\S (Wallace, 4/4/24).

Co-Chair Stedman OBJECTED for discussion.

Mr. Alper discussed the changes. He noted that there was one additional change to Version S, which addressed the list of duties of the task force and clarified that the process and procedures to execute limited entry permit buyback programs would include multiple options for buybacks throughout the state.

Co-Chair Stedman understood the change pertained to all areas of the state.

Mr. Alper replied in the affirmative.

[9:34:43 AM](#)

Senator Bishop asked whether reiver systems and commercial permit holders were included.

Co-Chair Stedman replied affirmatively.

Co-Chair Stedman WITHDREW his OBJECTION. There being NO further OBJECTION, it was so ordered.

Co-Chair Stedman asked Mr. Alper to provide a high-level overview of the resolution.

Mr. Alper deferred to Tim Lamkin.

[9:36:04 AM](#)

TIM LAMKIN, STAFF TO SENATOR GARY STEVENS, explained that the resolution was in response to the failing state of the Alaska seafood industry. He said that the taskforce included members from all areas of the industry.

[9:36:50 AM](#)

AT EASE

[9:37:01 AM](#)

RECONVENED

Co-Chair Stedman solicited any other concerns, questions, or objections.

[9:37:12 AM](#)

Senator Wilson MOVED to report CSSCR 10(FIN) out of Committee with individual recommendations and the accompanying fiscal note.

CSSCR 10(FIN) was REPORTED out of committee with five "do pass" recommendations and with one new zero fiscal note from the Legislature.

#sb183

SENATE BILL NO. 183

"An Act relating to the workers' compensation benefits guaranty fund; and providing for an effective date."

[9:37:54 AM](#)

Co-Chair Stedman shared that public testimony had been taken during the first hearing on the bill on March 6, 2024.

Mr. Alper relayed that there were two issues embedded in the bill: injured workers and the sweep to the Constitutional Budget Reserve (CBR). He stated that the CBR required payback at the end of each year of any money left in sub funds of the General Fund. Payback could be halted by a supermajority vote of the legislature. He said that one of the funds that had been "swept" back into the CBR due to lack of a supermajority vote was the Worker's Compensation Benefits Guarantee Fund. He said that the fund brought in \$800,000 per year and was generally penalties that were charged fines from employers that did not have adequate worker's compensation plans. Those funds then paid benefits to workers who worked for those companies. He said that in recent years the fund had been swept and brought to zero at the beginning of the fiscal year and when a worker needed compensation there would be no money in the fund, which meant they would have to wait for penalty funds to accumulate in order to be compensated.

Mr. Alper furthered that the bill would change the statutory description of the underlying fund, taking it out of the General Fund and placing it in the State Treasury so it would not be subject to the annual sweep.

Co-Chair Stedman added that several funds had been swept for decades under the constitutional provision. He explained that the legislature would normally perform a "reverse sweep" which meant the starting balance of the funds would be replaced at the beginning of each fiscal year. He said that the bill would assure that the worker's compensation account would have adequate cash flow to help injured workers.

[9:41:26 AM](#)

Senator Bishop

[9:41:30 AM](#)

AT EASE

[9:41:44 AM](#)

RECONVENED

Senator Bishop appreciated that the intent of the bill was to assist injured workers.

Senator Bishop MOVED to report SB 183 out of Committee with individual recommendations and the accompanying fiscal note. There being NO OBJECTION, it was so ordered.

SB 183 was REPORTED out of committee with four "do pass" recommendations and with one "no recommendation" recommendation, and with one previously published zero fiscal note: FN 1(LWF).

#sb189

SENATE BILL NO. 189

"An Act extending the termination date of the Alaska Commission on Aging; and providing for an effective date."

[9:42:49 AM](#)

Co-Chair Stedman said that the bill had been heard on March 7, 2024, and public testimony had been taken.

Mr. Alper explained that the bill pertained to the Alaska Commission on Aging and the work of the board. He said that the initial hearing had revealed no material problems with the board's operations by the Division of Legislative Audit.

Senator Wilson MOVED to report SB 189 out of Committee with individual recommendations and the accompanying fiscal note. There being NO OBJECTION, it was so ordered.

SB 189 was REPORTED out of committee with five "do pass" recommendations and with one new fiscal impact note from the Department of Health.

#sb205

SENATE BILL NO. 205

"An Act authorizing the Alaska Housing Finance Corporation to acquire or purchase a building that it occupies for an amount that does not exceed \$9,000,000; and providing for an effective date."

9:45:06 AM

Co-Chair Stedman recounted that that the bill had been heard on February 27, 2024, at which time public testimony had been taken.

Mr. Alper detailed that the Alaska Housing Finance Corporation was seeking legislative approval to purchase a building in East Anchorage that they were already renting. He said that the bill would authorize the purchase of the building.

Senator Merrick MOVED to report SB 205 out of Committee with individual recommendations and the accompanying fiscal note. There being NO OBJECTION, it was so ordered.

SB 205 was REPORTED out of committee with four "do pass" recommendations and with one "no recommendation" recommendation, and with one new fiscal impact note from the Department of Revenue.

Co-Chair Stedman discussed the agenda for the afternoon meeting.

#

ADJOURNMENT

9:48:04 AM

The meeting was adjourned at 9:48 a.m.