

SENATE JOURNAL
ALASKA STATE LEGISLATURE
THIRTY-FOURTH LEGISLATURE

FIRST SESSION AND FIRST SPECIAL SESSION

Juneau, Alaska

Wednesday

October 15, 2025

Final Supplement

Enrollment

SB 54

CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 54(FIN) "An Act relating to registered interior designers and interior design; relating to project costs for the construction, enlargement, or improvement of airports; extending the termination date of the State Board of Registration for Architects, Engineers, and Land Surveyors; relating to the State Board of Registration for Architects, Engineers, and Land Surveyors; establishing requirements for the practice of registered interior design; relating to the practice of architecture, engineering, land surveying, landscape architecture, and registered interior design; relating to the scope of the certification requirements for architects, engineers, land surveyors, landscape architects, and registered interior designers; relating to immunity for design professionals; relating to the cost of construction for recreation centers; relating to liens for labor or materials furnished; relating to the procurement of landscape architectural and interior design services; relating to the cost of construction of safe water and hygienic sewage disposal facilities in villages; 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 1:40 p.m., September 8, 2025.

Memorandum from Division of Legal and Research Services, Legislative Affairs Agency, was received, reporting the following manifest errors in CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 54(FIN) which have been corrected in enrolling:

Page 16, line 18:

Delete "[TO]"

Page 2, line 23, following "on":

Insert "or after"

SB 113

SENATE BILL NO. 113 "An Act relating to the Multistate Tax Compact; relating to apportionment of income to the state; relating to highly digitized businesses subject to the Alaska Net Income Tax Act; 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 10:00 a.m., September 8, 2025.

SCR 101

SENATE CONCURRENT RESOLUTION NO. 101 Authorizing the Senate and the House of Representatives to recess for a period of more than three days 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 10:00 a.m., September 8, 2025.

Legislative Resolve No. 22

Messages from the Governor**SCR 101**

Message dated September 29 was received stating the Governor noted the following resolution and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CONCURRENT RESOLUTION NO. 101
Authorizing the Senate and the House of
Representatives to recess for a period of more than
three days.

Legislative Resolve No. 22

SB 54

Letter dated September 22 was received:

Dear President Stevens:

Under the authority vested in me by Article II, Section 15, of the Alaska Constitution, I have vetoed the following bill:

CS FOR SPONSOR SUBSTITUTE FOR SENATE
BILL NO. 54(FIN)

"An Act relating to registered interior designers and interior design; relating to project costs for the construction, enlargement, or improvement of airports; extending the termination date of the State Board of Registration for Architects, Engineers, and Land Surveyors; relating to the State Board of Registration for Architects, Engineers, and Land Surveyors; establishing requirements for the practice of registered interior design; relating to the practice of architecture, engineering, land surveying, landscape architecture, and registered interior design; relating to the scope of the certification requirements for architects, engineers, land surveyors, landscape architects, and registered interior designers; relating to immunity for design professionals; relating to the cost of construction for recreation centers; relating to liens for labor or materials furnished; relating to the procurement of landscape architectural and interior design services; relating to the cost of construction of safe water and hygienic sewage disposal facilities in villages; and providing for an effective date."

SB 54 goes well beyond a routine extension of the AELS Board. SB 54 would remove certified installers from most residential wastewater work and restrict them to only very small commercial systems. The Alaska Department of Environmental Conservation warns that this change would halt planned installations, force many small systems to be routed to licensed professional engineers, and add roughly \$1,000 to \$2,000 per system, with the sharpest impacts in rural Alaska where engineers are scarce. That means higher costs, longer waits, and fewer homes and businesses getting sanitation.

The bill would also repeal AS 36.30.270(e) and force qualifications-based selection only for design-build procurements, barring any consideration of price. Eliminating competitive pricing in design-build will drive up project costs and reduce flexibility across state construction.

Finally, SB 54 expands the AELS Board to thirteen members and creates a new licensure track for “registered interior designers.” Interior design is not a regulated practice in Alaska today; the bill does not define “interior design,” and there is no public-safety rationale for creating a new title and bureaucracy. The expansion increases cost and confusion without a demonstrated benefit.

Sincerely,

/s/

Mike Dunleavy
Governor

SB 113

Letter dated September 27 was received:

Dear President Stevens:

Under the authority vested in me by Article II, Section 15, of the Alaska Constitution, I have vetoed the following bill:

SENATE BILL NO. 113

"An Act relating to the Multistate Tax Compact; relating to apportionment of income to the state; relating to highly digitized businesses subject to the Alaska Net Income Tax Act; and providing for an effective date."

The state's fiscal outlook has deteriorated in the face of decreasing oil prices and ongoing reductions in federal spending. In response to the state's fiscal condition, several tax proposals have been introduced during this legislative session. However, a truly durable fiscal plan must include not only revenues but also clear guardrails: spending limits, statutory and regulatory reviews, and policies that make Alaska the most competitive state in the nation for investment and new business growth.

Equally important is the need to evaluate all current state spending and government functions – not only for efficiency, but for their relevance and long-term impact. Any serious effort to stabilize Alaska’s fiscal future must also focus on diversifying our economy and creating new industries, which in turn broadens the economic base for potential revenue. This bill is a simple tax bill that does not consider the comprehensive fiscal approach outlined above.

In addition, a component of this bill raises serious constitutional concerns because it singles out a class of highly digitized out-of-state businesses engaged in electronic commerce and imposes a less favorable tax system on them. States are prohibited from discriminating against interstate commerce. Additionally, by singling out electronic commerce, the bill may run afoul of the federal Internet Tax Freedom Act, which requires that states not tax e-commerce less favorably than similar industries not engaged in e-commerce.

For these reasons, I will not sign standalone tax measures without a complete fiscal framework. I could foresee incorporating the elements of this bill, which would withstand constitutional scrutiny, into a comprehensive fiscal approach this coming year. I agree that Alaska needs to stabilize its finances, and I plan on having a robust discussion this upcoming session on a sustainable fiscal plan, complete with elements outlined above, but it must protect Alaskans, and provide the resources to run government in a responsible manner, and survive constitutional scrutiny.

Sincerely,

/s/

Mike Dunleavy

Governor

A Declaration of Disaster Emergency dated August 29, 2025, regarding the 2025 Late August Storm Disaster in the Yukon-Koyukuk Regional Education Attendance Area, with an accompanying letter and initial finance plan, was received pursuant to AS 26.23.020. The declaration, letter and finance plan had been copied to the Finance Committee Cochairs.

An amended Declaration of Disaster Emergency dated September 11, 2025, regarding the 2025 Late August Storm Disaster, with an accompanying letter, was received pursuant to AS 26.23.020. The declaration and letter had been copied to the Finance Committee Cochairs.

A letter dated September 24, 2025 was received requesting legislative concurrence with the accompanying revised finance plan (as required by AS 26.23.020(k)(2)), in response to the flooding from a glacial dam outburst along Mendenhall Lake and River. The letter and revised finance plan had been copied to the Finance Committee Cochairs.

A Declaration of Disaster Emergency dated September 24, 2025, regarding Elfin Cove landslides with accompanying letter and finance plan was received. The declaration, letter and finance plan had been copied to the Finance Committee Cochairs.

A letter dated October 1, 2025 was received requesting legislative concurrence to increase the funding limitation (as required by AS 26.23.020(k)(2)) in response to the 2024 Ketchikan Gateway Borough landslide. The letter had been copied to the Finance Committee Cochairs.

Communications

The following reports are on file in the Office of the Secretary of the Senate:

Alaska Mental Health Trust Authority
2024 Grant Investment Report
in accordance with AS 44.25.250

Alaska Permanent Fund Corporation
Power Cost Equalization Endowment Fund
Financial Statements June 30, 2025 and 2024
in accordance with AS 37.13.310

Department of Commerce, Community, and Economic Development
Alaska Industrial Development and Export Authority
Certification of Capital Reserve Fund Requirement
in accordance with AS 44.88.105

Department of Health
Health Information Exchange Systems
2024 Progress and Recommendations Report
in accordance with AS 18.23.315

Department of Health
2025 Alaska Opioid Legislative Report
in accordance with AS 17.20.085

Department of Transportation and Public Facilities
Alaska Marine Highway System
Comprehensive Long-Range Plan
in accordance with AS 19.65.011

Disclosure letters received in accordance with AS 24.06 will be published in Senate Journal Supplement No. 6 and House and Senate Joint Journal Supplement No. 10.

HB 53

The following was received and is on file in the Office of the Secretary of the Senate:

Letter dated September 30 from the Division of Legislative Finance identifying the fiscal notes included in the packet (page 1343) that accompanied CONFERENCE CS FOR HOUSE BILL NO. 53(brf sup maj fld H) "An Act making appropriations for the operating and loan program expenses of state government and for certain programs; capitalizing funds; amending appropriations; making supplemental appropriations; and providing for an effective date" which was adopted by the House and Senate on May 20.

The itemized fiscal notes are as follows:

HB 57-SCHOOLS: COMM. DEVICES/CLASS SIZE/FUNDING

Fiscal Note No. 5, Senate Finance Committee

Fiscal Note No. 6, Senate Finance Committee

Fiscal Note No. 7, Senate Finance Committee

SB 95-CHILD CARE: ASSISTANCE/GRANTS

Fiscal Note No. 2, Conference Committee on HB 53

SB 97-BIG GAME GUIDE PERMIT PROGRAM

Fiscal Note No. 7, Conference Committee on HB 53

This final supplement of the Senate Journal completes the official record of the First Session and First Special Session of the Thirty-fourth Legislature.

Liz Clark
Secretary of the Senate