



Homer City Hall

491 E. Pioneer Avenue

Homer, Alaska 99603

www.cityofhomer-ak.gov

City of Homer Agenda

**City Council Worksession
Tuesday, April 16, 2019 at 4:00 PM
City Hall Conference Room**

- 1. CALL TO ORDER, 4:00 P.M.**
- 2. AGENDA APPROVAL** (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 6)
- 3. STATE BUDGET AND LOCAL IMPACTS**
- 4. COMMENTS OF THE AUDIENCE**
- 5. ADJOURNMENT NO LATER THAN 4:50 P.M.**
Next Regular Meeting is Monday, May 13, 2019 at 6:00 p.m., Committee of the Whole at 5:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

Rachel Friedlander

From: Alaska Municipal League <membersupport@akml.org>
Sent: Friday, April 5, 2019 3:00 PM
To: Rachel Friedlander
Subject: AML Legislative Update - Week of April 8



A Plethora of Amendments!

The focus of the week was on the House Finance Committee as they worked through amendments to the operating budget. After completion of the finance sub-committees HB 39 was more in line with the current year (FY 19) base budget. The committee considered upward of 130 amendments completing the process late Thursday evening. Amendments came mostly from the 4-member Minority to reduce the appropriations to funding levels originally proposed by the Governor. Most of those amendments did not pass.

The committee voted to retain forward funding of the FY 2021 public education but adopted the amendment that stripped out the State's portion of the School Bond Debt Reimbursement, cost shifting the entirety of the debt to the local governments. These cuts which equate to approximately \$140 million (school bond debt and REAA funds) will most likely be backfilled by increased local taxes where they can, however will be devastating to some of the more rural communities should the cuts be maintained. We have been working with Legislators and there is an reasonable indication that the funds will be reinstate, although we are not certain at what level.

Amendments were also accepted to reduce K-3rd Grade Literacy Project by \$320.0 and a reduction of \$237.0 to Parents as Teachers. The Committee originally passed an amendment to eliminate Pre-K Grants at \$2 million but the later reversed its action adding the full funding back.

Amendments were offered to zero out Human Services Community Matching Grants and the Community Initiative Matching Grant programs both were defeated.

The Medicaid program took a \$58 million dollar cut, substantially less than the \$249 million proposed by the proposed Governor's budget and less than the \$102 million proposed by the Department of Health & Social Services. A lesser deduction was expected since it was disclosed that the original proposal would be impossible to implement in a single year. Much of the state's Medicaid program is funded by the federal government, and federal permission is needed to significantly change the way the state delivers Medicaid.

Amendments with intent language passed to exclude long-term care facilities from the Medicaid provider rate reductions including the Fairbanks Memorial Hospital as well as intent language directing the Department to maintain full funding for Adult Preventative Dental Care.

The Amendment to repeal the Communities' portion of the Shared Fish tax failed with 7 of the 11 members supporting the current distribution of the shared tax. The Committee voted 8-3 to eliminate the Ocean Rangers program, which really was not a "reduction" since the program was funded by fees paid by the cruise ship industry. The reasoning stated was the program has not found many violations and amounts to unnecessary regulations.

Rep. Carpenter advocated to eliminate the funding for the fisheries management around the State which was rejected by the Committee. Rep. Ortiz reminded folks that the fishing is a \$6 billion industry. The Department of Fish & Game (DFG) is constitutionally mandated to allow fishers to catch the most fish they can without harming the sustainability of the resource.

Rep. Wilson introduced an amendment that would result in a 5% reduction to highways and aviation across the State and a general fund deduction to the AMHS of \$10 million, the amendment was adopted. There were several other unsuccessful attempts to reduce the AMHS even further.

Additional prosecutors and support staff for the Department of Law added earlier in the Sub-Committee – in Juneau, Nome, Anchorage, and Fairbanks – were eliminated. The Committee felt these additional positions should more appropriately be discussed during debate on the Governor's crime bills. The funding for these positions could be included in the fiscal notes for the legislation. Amendments to reduce the VPSO program by \$3 million were rejected.

The University of Alaska amendment to reduce approximately \$20 million passed to match FY 18 levels, bringing the University's general fund appropriation to approximately \$316 million. A second amendment to reduce funding by \$56 million was defeated.

As we know, this budget is still in very preliminary and changes will continue to evolve on almost a daily basis. The next major changes will happen on the House Floor next week.

Dianne Blumer & Heather Brakes
AML Lobbyist

Help us Tell Alaskans that Strong Communities Strengthen Alaska

You might be hearing soon from partners that we've engaged to help tell our story. We hope you'll give short statements about impact, trade-offs and the importance of local government. We'll build a campaign around #communitystrong, which you can also use in your social media.

In the news....

[Keeping Promises, Letter to Governor and Legislators](#)

[Press Release: House Finance Follows Governor's Lead, Passes School Construction Costs to Local Taxpayers](#)

Analysis of Budget and Legislation

Click on the buttons here for a full review of the budget and current legislation.

MUNICIPAL IMPACT ANALYSIS

LEGISLATIVE REVIEW

Click on the button below for a copy of municipal impact statements and resolutions submitted to AML by municipalities across the State - updated 4/5/2019

Submitted Municipal Impact Statements and Resolutions

The following list of committee meetings address issues and bills important to municipalities for the upcoming week. For a complete list of bills visit the [BASIS](#) website. Most of the meetings are teleconferenced. It is best to go through your local LIO office to testify. For your local LIO office [click here](#). See end of schedule for off net numbers.

Monday, April 8

1:30 pm (H) Finance - Adams Room 519

[HB106](#) School Bond Debt Reimbursement

1:30 pm (S) Judiciary - Beltz 105

[SJR5](#) Constitution Amendment - Permanent Fund & Dividend - Pending Referral

3:30 pm (S) Resources - Butrovich 205

[SB51](#) Natl. Res. Water Nomination/Designation

6:00 pm (S) Judiciary - Beltz 105

[SJR5](#) Constitution Amendment - Permanent Fund & Dividend - Pending Referral -
Public Testimony

Tuesday, April 9

8:00 am (H) Community & Regional Affairs - Barnes Room 124

[HB 81](#) Prohibit Plastic Retail Bags - Public Testimony

Wednesday, April 10

9:00 am (S) Finance - Senate Finance - 532

Pending Introduction & Referral - Dividend Fund & Approp. from Earnings Reserve

Pending Introduction & Referral - Approp. Limit; Relating to Budget Responsibilities of
the Governor

1:00 pm (H) Resources - Barnes 124

Presentation: Fisheries Taxes by Dept. of Revenue

1:00 pm (S) Finance - Adams Room 519

Alaska Marine Highway System

1:30 pm (H) Finance - Adams Room 519

[SJR 9](#) Const. AM: Approp. Bill for Public Education

Thursday, April 11

9:00 am (S) Finance - Senate Finance - 532

[SB 20](#) Approp: Operating Budget/Loans/Funds

Public Testimony Schedule: (email written testimony to

Finance.Committee@akleg.gov)

- Mat-Su LIO & Fairbanks LIO - sign up by 10:00 am

1:00 pm (S) Finance - Senate Finance - 532

[SB 20](#) Approp: Operating Budget/Loans/Funds

Public Testimony Schedule: (email written testimony

to Finance.Committee@akleg.gov)

- 1:00 - 2:15 pm - Juneau - room 532 - sign up by 1:45 pm
- 2:15 - 2:45 pm - Nome LIO, Bethel LIO, Kotzebue LIO and Unalaska LIO - sign up
by 2:30 pm
- 2:45 - 4:45 pm - Anchorage LIO - sign up by 3:45

Friday, April 12

9:00 am (S) Finance - Senate Finance - 532

SB 20 Approp: Operating Budget/Loans/Funds

Public Testimony Schedule: (email written testimony

to Finance.Committee@akleg.gov)

- 9:00 - 9:45 am - Kenai LIO, Kodiak LIO, Dillingham LIO - sign up by 9:30 am
- 9:45 - 10:30 am - Glennallen LIO, Seward LIO, Homer LIO - sign up by 10:15 am

1:00 pm (S) Finance - Senate Finance - 532

SB 20 Approp: Operating Budget/Loans/Funds

Public Testimony Schedule: (email written testimony

to Finance.Committee@akleg.gov)

- 1:00 - 2:00 pm - Ketchikan LIO, Wrangell LIO, Petersburg LIO - sign up by 1:30 pm
- 2:00 - 2:30 pm - Utqiagvik LIO, Tok LIO, Delta Junction, LIO - sign up by 2:15 pm
- 2:30 - 3:30 pm - Sitka LIO, Cordova LIO, Valdez LIO - sign up by 3:00
- 3:30 - 5:00 pm - Offnets: Sign up by 4:15

In order to testify, it is best to go to a Legislative Information Office (LIO) if you have one close to you or call one of the numbers below.

Link to LIO offices <http://akleg.gov/lios.php> - for addresses and phone numbers.

Offnet:

Juneau - 586-9085 - for all phone numbers originating in Juneau

Anchorage - 563-9085 - for all phone number originating in Anchorage

Other, 1-844-586-9085 - for all phone numbers not originating in Juneau or Anchorage

If you have issues calling in to testify, call 907-465-4648 and they will bridge you in.

Please note that if you are in an "Other" community and your phone number originates in Juneau or Anchorage, the 1-844-586-9085 will not work. You must use the Juneau or Anchorage number.

LEGISLATIVE CONTACT LIST

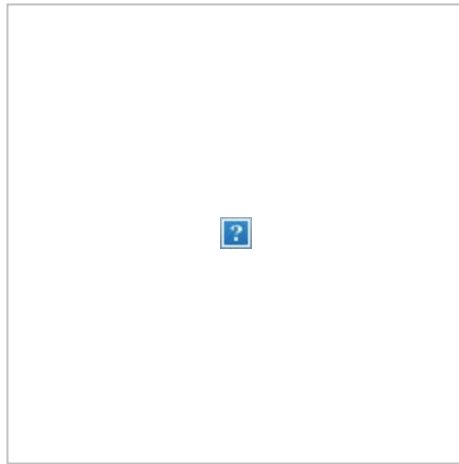


AML | One Sealaska Plaza, Suite 200, Juneau, AK 99801

[Unsubscribe rfriedlander@ci.homer.ak.us](mailto:Unsubscribe_rfriedlander@ci.homer.ak.us)

From: [Alaska Municipal League](#)
To: [Melissa Jacobsen](#)
Subject: AML Legislative Update - Week of April 15
Date: Friday, April 12, 2019 2:59:08 PM

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.



You have made a difference...

While the House budget that passed out of Finance last week restored much of the funding important to communities, it left out school bond debt reimbursement. Your engagement – testimony, calls and emails to legislators, and continued public dialogue – resulted in the House passing its FY20 budget with 50% of that reimbursement restored.

This is progress. While the budget discussion might feel overwhelming, your communication with legislators is critical to helping them understand what's at stake. Many within the Legislature understand the negative impacts of the Governor's proposed budget and are pushing back. For those who aren't – we have work to do.

Here's an example related to school bond debt reimbursement, and votes against that are votes in favor of increased local taxes:

- Representatives David Eastman, Laddie Shaw, Colleen Sullivan-Leonard, and Cathy Tilton voted in favor of increasing Mat Su property taxes on Mat Su Regional Medical, Enstar, Fred Meyer, Alaska Hotel Properties, and GCI – the top five commercial property owners – by \$547,944.
- Representatives Tammie Wilson and Dave Talerico voted in favor of increasing Fairbanks property taxes on Alyeska Pipeline, Fort Knox, Doyon Utilities, ACS, Petro Star, GCI, and Flint Hills - among the top 10 – by \$1,848,718.
- Representatives Jennifer Johnston, Sara Rasmussen, Sharon Jackson, Gabrielle LeDoux, Kelly Merrick, Lance Pruitt, and Josh Revak voted to increase property

taxes in Anchorage. Among the top 15 are GCI, ACS, Alaska Regional, Providence, Fred Meyer, Enstar, Hickel Investment, Alaska Airlines, BP, Dimond Center, and JL Properties. The tax increase for those 11 would be \$1,527,280.0

While the narrative has been focused on the PFD, tax increases on local businesses to meet a State obligation are not sending the right message to the private sector. This remains one of the major flaws in this budget discussion: We agree with the Governor that local issues should be dealt with locally, and taxes applied at the local level are one way to address those issues – but increased local taxation shouldn't be to address the State's responsibilities. Public education, health and welfare are the State's Constitutional obligations.

Both [FEDC](#) and [AEDC](#) – Fairbanks and Anchorage economic development – have argued for a broad-based approach. AML has offered a similar approach, calling for a combination of solutions that go beyond cutting.

In an effort to work toward solutions, we've invited the Governor to participate in a Budget Dialogue on May 8, here in Juneau, with AML's Board of Directors. You can see the invitation below. We hope to foster a collaborative partnership that strengthens Alaska and includes keeping local governments strong.

We encourage you to continue your outreach to the legislature; when there is an opportunity for public testimony it is great to hear your voice! We'll continue to flag those opportunities, as well as more specific requests for your advocacy.

Bill of the Week

The Governor has introduced [SB110](#) / [HB130](#) .

This bill would, among other things, move to the general fund all funds currently held within the Power Cost Equalization endowment and Community Assistance Fund. The current schedule of distribution is repealed, and funding for PCE and Community Assistance subject to appropriation.

Out of anything that has been proposed this single bill impacts the greatest number of municipalities. The House has referred it to five committees, and the Senate to two. You would be correct in assuming that AML will vigorously oppose this bill.

Help us Tell Alaskans that Strong Communities Strengthen Alaska

You might be hearing soon from partners that we've engaged to help tell our story. We hope you'll give short statements about impact, trade-offs and the importance of local government. We'll build a campaign around #communitystrong, which you can also use in your social media.

In the news....

[AML Invites Governor Dunleavy to Participate in a Dialogue](#)

[Keeping Promises, Letter to Governor and Legislators](#)

[Press Release: House Finance Follows Governor's Lead, Passes School Construction Costs to Local Taxpayers](#)

Click on the button below for a copy of municipal impact statements and resolutions submitted to AML by municipalities across the State - updated 4/5/2019

Submitted Municipal Impact Statements and Resolutions

The following list of committee meetings address issues and bills important to municipalities for the upcoming week. For a complete list of bills visit the [BASIS](#) website. Most of the meetings are teleconferenced. It is best to go through your local LIO office to testify. For your local LIO office [click here](#). See end of schedule for off net numbers.

Monday, April 15

9:00 am (S) Education - Butrovich 205

[SB64](#) Repeal State Debt Reimbursement for Schools

9:00 am (S) Finance - Senate Finance 532

[SB92](#) PFD Contributions to General Fund

1:30 pm (H) Finance - Adams Room 519

[HB32](#) AK Energy Efficiency Loans: Eligibility

Presentation: PERS/TRS System by Dept. of Administration

6:00 pm (S) State Affairs - Butrovich 205

[SB32](#) Crimes; Sentencing; Ment. Illness; Evidence

Tuesday, April 16

9:00 am (S) Finance - Senate Finance - 532

[HB38](#) - Approp: Capital Budget

Capital Projects Review

presentation: Legislative Finance Fiscal Plan Review by David Teal

11:00 am (H) Energy - Capitol 17

Presentation: All Alaska Energy Project by Meera Kohler

1:30 pm (S) Labor & Commerce - Beltz 105

[SB 52](#) Alcoholic Beverage Control; Alcohol Reg.

Wednesday, April 17

9:00 am (H) Finance - Senate Finance - 519

[HB38](#) - Approp: Capital Budget

[HB32](#) AK Energy Efficiency Loans: Eligibility

1:30 pm (S) Judiciary - Beltz 105

[SB 52](#) Alcoholic Beverage Control; Alcohol Reg. (Pending Referral)

6:00 pm (S) Judiciary - Beltz 105
[SB 52](#) Alcoholic Beverage Control; Alcohol Reg. (Pending Referral)

Thursday, April 18

9:00 am (H) Finance - Adams Room 519
Presentation: Criminal Justice Reform Update by Quinlan Steiner

1:30 am (H) Finance - Adams Room 519
[HB79](#) Peace Officer/Firefighter Retire Benefits - Public Testimony

1:30 pm (S) State Affairs - Butrovich 205
[SB32](#) Crimes; Sentencing; Ment. Illness; Evidence

Friday, April 19

9:00 am (S) Finance - Senate Finance - 532
[SB 20](#) Approp: Operating Budget/Loans/Funds

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