



Alaska's 29th Legislative Session Wraps Up?

The 29th Alaska Legislature's second regular session and two special sessions called by Gov. Bill Walker have adjourned and a number of bills will become law (in whole or partial fashion) in 2016 while voters consider what legislators left on the table and why.

The Legislature did fulfill its duty of passing a state operating budget for FY2017, cutting \$400 million from the year before, but it drew down \$3 billion in state savings to pay for it.

How did we get here?

Revenue to the state from production of Alaska's oil reserves began a staggering decline beginning in mid-2014, deepened by the 2013 re-write of the oil tax model pushed by then-Governor Sean Parnell which increased the state's tax credit exposure as prices dropped.

In 2014, the difference between gross oil tax royalties to the state and its tax credit program to the industry amounted to \$4 billion. In 2015, Alaska's net tax revenue was just \$1 billion. This year, the oil money that previously funded state government did not exceed credits to producers—simply put, historically low oil prices and Alaska's own oil tax policy wiped out what was assumed to be an unassailable source of income to fund state government.

As noted, the legislature turned to Alaska's savings to fund this year's operating budget and largely dismissed legislation introduced by Gov. Walker to fund government by restructuring use of Permanent Fund earnings and introducing modest new taxes.

In the absence of a balanced budget, Gov. Walker used line item vetoes to cut the operating budget by \$1.3 billion—shrinking department budgets further, reducing education funding, and capping PFD distributions at \$1,000.

Walker noted on June 29th, at the time of the veto announcement that legislative inaction on revenue was due to a belief that "a) state spending had not been cut enough; b) credits to oil companies needed to be reduced; or c) legislators did not want to take the political heat for reducing the PFD amount."

Although the Legislature and the Governor

remain at an impasse over revenue for future operating budgets, state employee salaries and benefits are funded for FY2017 despite efforts this year (and last) to freeze wages.

Last year Republican Sen. Pete Kelly from Fairbanks led and narrowly lost a battle to eliminate a contractual 2.5% Cost of Living Adjustment to wages for GGU members. This year Anchorage Republican Rep. Craig Johnson introduced a bill to tie annual merit and pay increment increases to the price of oil—effectively removing that benefit—at a time when GGU members had just ratified a contract with flat wages for the next three years. (Note that Rep. Johnson is now seeking to join Sen. Kelly in the Senate by campaigning for the District L seat.)

While pressure grew to abandon state labor contract wage agreements (2015) and to prohibit the approval of labor contracts without conditions on annual merit and pay increment increases (2016), it was Democrats and Republican moderates in the Legislature who stood up to these opportunistic attacks.

These same legislators who held out successfully against the most powerful in the Senate and State House now have stiff conservative competition in their Primary Election races. Please consider the ASEA Political Action Committee 2016 legislative endorsements to find out which candidates and incumbents value the contributions of state employees like you!

The Legislature did pass significant legislation in 2016 that, though driven by the fiscal reality, addressed areas due for reform.

SB 74, a broad Medicaid reform bill with numerous cost-saving and efficiency measures, was signed into law by Gov. Walker on June 21. The ASEA PAC voted to oppose the bill out of concern for language authorizing feasibility studies for privatizing the Alaska Pioneer Home system and for creating a health care authority that could interfere with the autonomy of the ASEA Health Trust.

The health care authority considered for the feasibility study would have *Continued on page 2*

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Famous Words of Solidarity

"You cannot get the media to buy good news about federal civil servants. That is a basic fact." - Donald J. Devine, Director U.S. Office of Personnel Management, columnist, writer, educator, treasurer, American Conservative Union (ACU)

"We have the potential to create a strong voice that explains clearly why so many decent jobs went elsewhere, why so much of corporate America seemingly cares not a whit about the dignity of work. ...there should not be a major issue discussed in public in this country that workers do not know our position on - Thomas Deary, labor journalist, on creating a labor media

- (From Great Labor Quotations Sourcebook and Reader Peter Bollen)

Solidarity Update

Did You Know?

Did You Know That:

Americans Elect the President and the Vice President through a method of indirect popular election. Voters cast their ballots for a presidential candidate. These votes actually count towards a group of electors who pledge to vote for a specific candidate in the Electoral College. The "Electoral College" is the group of citizens selected by the people to cast votes for President and Vice President.



The presidential/vice presidential pair who wins the popular vote in any given state receives all of the state's electoral votes. In the end, the winner of the race is the candidate who receives a majority of the 538* electoral college votes. The results of the election aren't official until each state's electoral votes are counted in a joint session of Congress.

Members of the House and Senate meet in the House chamber to conduct the official tally of votes. The Vice President, as President of the Senate, presides over the count and announces the results of the vote.

The President-Elect is sworn in as President of the United States on January 20th.

*Majority vote of 538 = 270 or more

Did You Know That:

Election Day is a civic holiday in some states, including Delaware, Hawaii, Kentucky, Montana, New Jersey, New York, Ohio, West Virginia and the territory of Puerto Rico.

Some states require that workers be permitted to take time off from employment without loss of pay. California Elections Code provides that employees otherwise unable to vote must be allowed two hours off with pay, at the beginning or end of a shift.

President, Vice President and United States Congress elections are always on even-numbered years, held once every 4 years.



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powers to coordinate health care plans, consolidate procurement, and "develop appropriate benefit sets, rules, cost-sharing, and payment structures for all employees and individuals whose health care benefits are funded directly or indirectly by the state."

Pioneer Home managers had time during the legislative process to demonstrate the value and competitiveness of state care for Alaska seniors. By the time SB 74 passed the Legislature, the feasibility study focus had shifted from the Pioneer Home system to the Anchorage Psychiatric Institute (API). Unfortunately, the state's only psychiatric hospital and "select" juvenile justice facilities remain on the list for possible privatization.

In what could be seen as a cautionary tale, SB 74 also authorized a study to privatize Pioneer Home pharmacy services—affecting several positions filled by former ASEA members who removed themselves from collective bargaining and union representation. Without a union supporting them, these pharmacists could be out of work soon.

HB 374, a bill addressing health insurance access and affordability, was signed into law on July 18. The Governor submitted the bill to the Legislature with the goal of stabilizing expenses for insurers of "high risk" residents that was seen as a reason for some insurers leaving the Alaska market.

The subsidy mechanism for high risk coverage in HB 374 is a tax on other health insurance coverage, including that offered by self-insured group health plans. The ASEA PAC opposed the legislation out of concern for the burden it placed on the ASEA Health Trust in meeting the needs of beneficiaries.

Gov. Walker signed SB 91, an omnibus criminal justice reform bill, on July 11. The legislation included an overhaul of sentencing guidelines, new efforts to reduce recidivism, and steps to stem the growing cost of administering justice in Alaska.

While the ASEA PAC did not take a position on SB 91, bills that the PAC did favor were proposed for inclusion. Both HB 66 and HB 22—authorizing survivor benefits to families of peace officers and establishing a 60-case limit to probation and parole officer workloads, respectively—had

support from legislators but later failed to be incorporated in the final legislation.

The Legislature did not pass a bill addressing the gap between current state revenue and the future cost of state programs and services. Gov. Walker has framed his proposals for fiscal stability as the New Sustainable Alaska Plan, its centerpiece being legislation assigning \$3.3 billion of Permanent Fund earnings to fund state government.

The Permanent Fund legislation, supported by the ASEA PAC, did get traction in the Senate during the fourth special session, May 23 to June 19. The Senate passed SB 128 on June 6, but the bill remained in the House Finance Committee until adjournment. A fifth special session, July 11 to July 18, failed to jumpstart a floor vote for SB 128 in the State House.

Like all other pending legislation, SB 128 and its companion proposals for sustainable annual revenue to fund state government will need to be reintroduced. The legislative process begins anew next year if an additional special session isn't called before the 30th Alaska Legislature convenes its first regular session on January 17, 2017.

The ASEA Political Action Committee (PAC) is an opportunity for all members to participate in political action at the state and local level. PAC Directors review legislation and evaluate legislative and local office candidates for endorsement to the ASEA membership.

If you are not already a contributor to Public Employees Organized to Promote Legislative Equality (PEOPLE), please consider enrolling. A membership in PEOPLE automatically makes you a member of the ASEA/AFSCME Local 52 Political Action Committee.

As a member of the PAC, you can be elected to serve on its Board of Directors. PAC bylaws have been amended to allow every PAC member to serve as a Director for their district. Contact the ASEA Juneau Office at 463-4949 or (800) 478-0049 toll free.

Please note all members are reminded to use personal email accounts when communicating with PAC directors, legislators and candidates for public office, or when sending emails containing messages of a political nature.


Solidarity Update

ASEA / AFSCME 2016 PAC Endorsements

The ASEA/AFSCME Local 52 Political Action Committee (PAC) recommends the following list of candidates for the upcoming Primary Election to be held Tuesday, Aug. 16.

PAC endorsements are determined by questionnaire responses from candidates and incumbents, as well as legislative voting records. An endorsement for public office is based on the candidate's support for public employee issues, not party affiliation. The following candidates and incumbents have expressed or taken political positions that the PAC believes are in the best interest of public employees

District	Name	Party	District	Name	Party	District	Name	Party
A			1	Rep. Scott Kawasaki - Fairbanks	D	2	No Endorsement	
B	Luke Hopkins - Fairbanks	D	3	Christina Sinclair - North Pole	D	4	Rep. David Guttenberg - Fairbanks	D
C			5	Rep. Adam Wool - Fairbanks	D	6	Jason Land - Healy	D
D	No Endorsement		7	No Endorsement		8	No Endorsement	
E			9	Jim Colver - Palmer	R	10	No Endorsement	
F	No Endorsement	D	11	Bert Verrall - Palmer	N/A	12	Gretchen Wehmhoff - Wasilla	D
G			13	No Endorsement		14	Joe Hackenmueller - Eagle River	N/A
H	Sen. Bill Wielechowski - Anchorage	D	15	Rep. Gabrielle LeDoux - Anchorage	D	16	Rep. Ivy Spohnholz - Anchorage	D
I			17	Rep. Andy Josephson - Anchorage	D	18	Rep. Harriet Drummond - Anchorage	D
J	Tom Begich - Anchorage	D	19	Rep. Geran Tarr - Anchorage	D	20	Rep. Les Gara - Anchorage	D
K			21	Rep. Matt Claman - Anchorage	D	22	No Endorsement	
L	Forrest McDonald - Anchorage	D	23	Rep. Chris Tuck - Anchorage	D	24	Sue Levi - Anchorage	D
M			25	Patti Higgins - Anchorage	D	26	Rep. Bob Lynn - Anchorage	R
N	Vince Beltrami - Anchorage	R	27	Harry Crawford - Anchorage	D	28	Shirley Cole - Anchorage	D
O			29	No Endorsement		30	No Endorsement	
P	Sen. Gary Stevens - Kodiak	R	31	Rep. Paul Seaton - Homer	R	32	Rep. Louise Stutes - Kodiak	R
Q			33	Rep. Sam Kito - Juneau	D	34	Rep. Cathy E. Munoz - Juneau	R
R	No Endorsement		35	Rep. Jonathan Kreiss-Tomkins - Sitka	D	36	Rep. Dan Ortiz - Ketchikan	I
S			37	Rep. Bryce Edgmon - Dillingham	D	38	No Endorsement	
T	Sen. Donny Olson - Nome	D	39	Rep. Neal Foster - Nome	D	40	Dean Westlake - Barrow	D

 Please note that members are reminded to use personal email accounts when communicating with PAC directors, legislators and candidates for public office, or when sending emails containing messages of a political nature.

The PAC would like to encourage your participation in political action. If you are not already a contributor to Public Employees Organized to Promote Legislative Equality (PEOPLE), please consider enrolling. A membership in PEOPLE automatically makes you a member of the ASEA/AFSCME Local 52 Political Action Committee.

As a contributing member of the PAC, you can be elected to serve on the PAC Board of Directors. For more information, contact the ASEA Juneau Office at 463-4949 or (800) 478-0049 toll free.

Solidarity Update

ASEA HEALTH TRUST NEWS



Voting Opens August 19th

ASEA/AFSCME Local 52 Health Benefits Trust Board of Trustees Fall Election

As a Health Benefits Trust member, you have the ability to choose leaders who make decisions that affect you, your family and all Plan participants. The Board of Trustees is comprised of six individuals who oversee ASEA Health Trust benefits, claims, appeals and manage Trust Fund investments. Make sure your voice is heard by voting for these Trustee positions:

- **Central Region (Anchorage)** - only members whose workstation is within the Municipality of Anchorage are eligible to vote. (To ensure you meet this eligibility requirement, please contact the Union to verify your correct mailing address and workstation.)
- **Trustee At-Large (Statewide)**

It's Easy to Vote

- Voting begins on Friday, August 19

- Voting ends at 5:00 p.m. (AKDT) on Monday, September 19
- To vote you must be a member in good standing with ASEA/AFSCME Local 52
- Results will be available on the Health Trust website on September 20

Here's How to Vote Online Starting August 19th

- Voting online is simple, quick and most importantly, secure!
- Go to the ASEA Health Trust website (www.aseahealth.org).
- Log in to the secure section of the website (register if you have not done so already).
- Click on *Trustee Election*, choose your candidate and then submit your ballot.
- **If You Prefer a Paper Ballot**, please request one by contacting the Sramek-Hightower CPA firm at 907-677-3320 Mickey or @sh-cpafirm.com.

ASEA - In Action At The AFSCME 42nd International Convention

More than 4,000 delegates, alternates and guests assembled in Las Vegas, Nevada, July 18-22, 2016 for AFSCME's 42nd International Convention. **What happened in Vegas:**

<http://2016.afscme.org/>



played the role of workers, delegates Cassandra Lynch and Cynthia Washington played the role of management and did a great job withstanding the chanting, sign waving and interruptions they were confronted with.

*Excerpted from AFSCME 2016 Daily, Friday, July 22, 2016 / Resource: <http://2016.afscme.org/afscme-in-action>

Three Square Service Project

AFSCME joined forces with the Three Square Food Bank during the 42nd International Convention in Las Vegas to ensure that children in Southern Nevada get the food and proper nutrition they need in order to thrive in school and life.



Three Square's Backpack for Kids program provides a lifeline for hungry children by supplying a bag of shelf-stable ready-to-eat meals and snack options for children who might otherwise go without during weekends and long breaks from school.*

ASEA delegates volunteered their time on Friday morning before the general session began to package meals and to do their part to end childhood hunger.

*Excerpted from AFSCME 2016 Call to Convention

(For more News from the Convention see August Issue of ASEA In Action)



ASEA Delegation: Front Row Left to right: Dawn Bundick, Val Kenny, Cassandra Lynch, Brandon Nakasato, Courtney Wendel, Back Row Left to Right: Cynthia Washington, Chris Pace, John Bennett, Rich Sewell, Michael Williams., Chuck Stewart and John Roxburgh

ASEA in Action

On Tuesday, July 19th, more than 2,000 delegates to the AFSCME Convention attended an early morning "AFSCME in Action: Building AFSCME Strong Local Unions" training. The session was directed at learning how to plan and execute an action plan to resolve real-world problems in the workplace*, i.e., Trump International Hotel Rally held on Wednesday, July 20th.



While the majority of ASEA's delegates