220802 Mike Dunleavy

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SPEAKERS

James Brooks, Mike Dunleavy, Nancy Dahlstrom, Andrew Jensen

- Andrew Jensen 00:00
 This is Andrew. How are you doing?
- James Brooks 00:01 Hello. I'm doing well.
- Andrew Jensen 00:03

 Good, good. Glad you have some time today, the Governor just wrapped an interview and stepped away for a moment. But I do have Nancy here. Do you have any questions for Commissioner Dahlstrom?
- James Brooks 00:21

 Hi, Commissioner. I did have an election-related question that may be best for you. I know the administration introduced a package of election reform items during this legislative session. But those didn't pass. And I'm still hearing from Alaskans who want additional action in that arena. And so I'm wondering if the new administration would introduce that package again next year?
- Nancy Dahlstrom 00:53

 Well, James, I think it's safe to say that we know that that's a it's an important topic. And I am confident in telling you that there will be an election bill put forward. What is added or taken out of it, I'm not going to say right now. But we know how important it is. And we know that --

And if so, what additions or subtractions might be made?

you know, Alaskans want to know that their vote counts, that they're heard and that the office is run with just 100% integrity. So we'll always try to improve on what we do and do it a little bit better.

James Brooks 01:36

And to build on that, you talked about that Alaskans want to know their vote counts, and that the office is is run with integrity. Do you believe that's the case now? And it's just a matter of reassuring people? Or do you think that it's not the case? And so changes need to be made because of that?

Nancy Dahlstrom 01:55

I think that the division of elections as then ran with integrity, yes, they've done an incredible job. And I, again, you know, I just I think we can always do everything a little bit better. So we learned a lot of things going through the process last legislative session with the bills that were heard. And I'm confident we will see something again, on that.

- James Brooks 02:23
 Got it.
- Andrew Jensen 02:26

 I think the governor has rejoined the room. So you may fire when ready.
- James Brooks 02:31 Okay, thank you.
- Mike Dunleavy 02:32
 Don't fire, James. Ask your questions.
- James Brooks 02:37
 If you're downrange, I'll hold fire, then.
- Mike Dunleavy 02:41
 Thank you.

James Brooks 02:42

One thing that's been on my mind lately is that it seems like there's a growing likelihood of some kind of national crisis around the result of the next presidential election. Wnd whoever wins the election, the governor's election here, is going to be in office during the next presidential election. And I'm curious if if you share that concern, and whether anything has the potential to reach us here in Alaska?

Mike Dunleavy 03:12

You know, the best way to answer that, James -- I don't know if you've noticed, in the last four years, but we've had a number of things thrown at our administration, like pandemics and fires and earthquakes and all that stuff. One thing I've learned in my short tenure here on the planet, is you gotta be prepared for anything and everything. Do I think there's gonna be an election crisis? I hope not. I think the heightened scrutiny actually, I actually believe that heightened scrutiny will lessen that, I think you're gonna get more people, not less. I know, some folks talked about, maybe there'll be a bunch of people that won't vote. I think you're gonna get people they're gonna vote, I think. I think people are gonna get past the pundits and the headlines and the social media, and I think they're going to reach back to really what's in our DNA, was put in our DNA in the 1700s by the Founding Fathers. You got to vote. You have to vote. I think I think we're gonna be surprised. I think we're gonna see probably more people vote, I think. But I'm hoping there's not going to be a crisis. But I think I think I think the people and their actions will prevail and help prevent that from happening.

James Brooks 04:27

Thanks. That's reassuring, because it's something that's been on my mind a lot lately. I did want to ask about these.

Mike Dunleavy 04:36

I can reassure you on a whole host of things.

James Brooks 04:40

I'm a worrier. I want to ask you about the permanent fund dividend formula. You've been consistent in your support for a statewide vote before any changes implemented. But one thing I'm uncertain about, and this builds on a question that Jeff Landfield asked you in the budget press conference is whether your preference in that in the formula that goes to voters, is it a 50-50 formula still? Is it something else? What, what formula would you prefer that Alaskans vote on?

Mike Dunleavy 05:13

If we send a 50-50, to the people who ask them, that gives them a target to decide if they want to vote yes. Meaning that, you know, you reach back to Jay Hammond that believe that no more than 50% should have gone to the government and some of the other folks that spoke about the permanent fund dividend back in that in those times. But really what it does, is if the people of Alaska reject it, what they're saying is, essentially they want to stick with the formula they have now. I want to do, I want to, we govern for the people. I know, there's a number of people that believe that once you're elected, once you've been in front of someone's door, and you smile, and you say, tell me what you're thinking, and I want to go represent you that once they get down to Juneau or Washington, they just totally ignore the people. And then they legislate or they govern, for themselves or for special interests. I don't believe that. And I don't believe that for the reasons that this topic you brought up earlier. How are you going to have confidence in what we do? Whether it's elections or anything, if the people of Alaska, let's say this case, believe that we don't really want to hear what they have to say. So by sending them a 50-50, they can decide if they want to turn this into a sort of endowment, right, because it'd be 50% of the of the what would be the result that'd SB 26 and the POMV, or whether they want it to continue to remain a formula based process that we have now currently in statute. I personally, am more interested in what the people of Alaska decide. There's many people in Alaska that because of their wealth status will tell you they don't need the PFD. There's other people in Alaska, that will tell you that they count on the PFD to take care of some delayed purchases, or, or repairs or whatever. It's really for me, it's getting something in front of the people so they can speak to the legislature. That's really what this comes down to.

James Brooks 07:28

And to make sure I'm following it, is it the idea that the exact formula is less important than getting the buy in from the public? And getting some surety?

Mike Dunleavy 07:43

I would say that the buy in is incredibly important because of the democratic processes that the framers of our Alaska Constitution put in place in terms of the referendum and initiative process, you're really not going to solve your fiscal issues iff the people of Alaska feel you're doing something to them, instead of something with them. The people will will, you know -- you'll have a much more enduring, durable system on fiscal if they believe they were part of this process. And they -- quite frankly, James -- They're gonna be part of this process, either in the input side, or in the end product that decide if they want to keep that that decision that the legislature made or not through initiative -- excuse me -- a repeal process. So my, my view is engage the people, get their view, and then govern accordingly, because they're the sovereigns.

James Brooks 08:43

And you had mentioned the the Jay Hammond principal that at least 50% of the of the annual transfer be reserved for dividends. And when I asked your press office a couple of weeks ago, after the budget to make sure I was understanding things, right, they had suggested that your thought is 50% as a floor, but open to a higher percentage. Is that a good way to think about it?

Mike Dunleavy 09:17

Well, I'm not sure what they said to you, so I'm just I'm working on what you said they said. No, I'm not discounting when you may have heard, so I want to answer it. It should be no less than 50%, I believe. I think if it is, the people of Alaska will reject it.

James Brooks 09:36

Okay, that's helpful and understanding your thinking, so thank you. Related to that, when you ran for governor in 2018, you talked about a retroactive PFD payback. Is that something you still support or how should I think about that?

Mike Dunleavy 09:56

I think you should think about that, that, I believe that the law, the law that's in place, is not the problem. And that subsequent -- what the governor did back in 16, since then, we've not hit that mark, regarding the law. And that's why we're having these conversations as to what is this dividend going to look like going forward, and the program going forward. I would say this: That I would love to put as much money in the hands of individuals. That's my goal. Whether the legislature agrees with that, that's, that's a serious question. But I believe, and I've always believed, that people know how to spend their money better than government. Now, there may be some government officials that believe that people waste their money on -- I'm making things up -- some, some items, or some services or whatever, a trip to Hawaii, whatever. That's, that's not I don't think, government's job, to design the lives of people. So I would say, James, as much money as we can get into the hands of Alaskans, it really is ideal. As opposed to taking as much money out. Now, I understand that we have to run a government, I get that. And I understand that we have the resources to do that, a remedy. The people of Alaska understand that too. I think it what really, the people of Alaska, really disliked about this whole idea of what -- a unilateral veto of the PFD by the former governor -- and then the chaos that that action has thrown this state into, if you look at that moment in time, that moment in time, going forward, really left a sour taste in the mouths of people. And until this thing gets fixed by the people, we never get we never get a clear landing on fiscal. So I would love to put as much money in the hands of people of Alaska. I don't know if the legislature is going to allow that or agree with that. But I think the people know how to spend their money better than government does.

James Brooks 12:08

Gotcha. And related to that. The constitution, constitutional amendment, the idea that I've heard from you before is that this needs to be a constitutional amendment. This year, we've got a constitutional convention item on the ballot is Do you think that's a good idea? Do you think folks should should vote for the convention as in order to address this issue? And others? Potentially?

Mike Dunleavy 12:37

Do I think that do I think that the people of Alaska, do I think the people of Alaska, should

contemplate whether we want to change the constitution or not? Yes, it's up to the people of Alaska. The framers, I think our framers were pretty -- Actually, I know, every year that goes by, James, I have more respect for the framers of our Constitution. Every year. And the reason I say that is, they gave us, the framers have given us the ability to change the constitution, as opposed to resort to insurrection or revolution or bloodshed. That's what's that's what's really good about this country, great about this country, and the state. So every 10 years, the people of Alaska get an opportunity to decide if they want to change their constitution. Now, I think, James, what's not happening -- It's not it's not your fault or anybody's fault -- but what's not happening is the greater discussion as to what this really looks like. So let's say, the people of Alaska vote in the affirmative, they want to change the constitution. I think what we should do is accept the fact that they want to change the constitution, then what's the next step? You got to run some bills to frame what a constitutional convention will look like. And what I think -that's what's missing is -- I think there's a lot of fearmongering, 'oh, my God, the place will blow up.' No. Just like the place didn't blow up in the '50s when the Constitutional Convention was occurring, thatformed the constitution for the state. And so if they vote yes, that means they want to change the constitution. Then it's our role to put together the framework for constitutional convention, probably through bills to the legislature, that mirror what occurred in the '50s. And so you'll have delegates that will probably run for office, be elected to office. It'll look similar, to some degree, like a legislative process. As opposed to working on statute, you work on constitutional sections. You'll have committees and subcommittees. Those committees will vote on whether they want to change to a constitutional section or not. They would have to vote to get those out of committee. Then you'd have to vote on the floor to see if the full group, the full convention, wants those, those constitutional changes, and then it goes to the people. There is an incredible number of space bars that will prevent chaos and mayhem that some people are saying is going to occur, so in answer to your question, I think it's up to every individual Alaskan to decide if they believe that the Constitution in its current form works. A majority may say it does and therefore will vote no, a majority may say there needs to be changes and will vote yes.

James Brooks 15:28

You've said it's up to every individual Alaskan to decide. Would you advise people to vote yes?

- Mike Dunleavy 15:37
 - I would advise them like I do in every vote to vote their conscience and do their homework and make that decision for themselves. I don't tell people how to vote.
- James Brooks 15:47

 I've asked you about the dividend, which has obviously co

I've asked you about the dividend, which has obviously consumed the legislature the last few years. What do you think Alaska's biggest need is right now?

Mike Dunleavy 16:00

Alaska's biggest need right now, I think what Alaska needs are leaders that believe that Alaska and Alaska's future. Not Alaska's past. Not even necessarily Alaska currently, but Alaska's

future. What are we going to look like in 50 years? Are we going to have strategic ports along our coasts, our Arctic? You know, with the incoming shipping traffic, if the climate continues to warm and the ice melts? Are we going to capitalize on our position in the North Central Pacific as a bridge between North America and Asia and our Asian allies? Are we going to be able to feed ourselves? Alaska probably has more farmland potential than any other state. Are we going to capitalize on the farmland? Are we going to capitalize our freshwater? Which we have three times as much as any other state, especially given what's happening in Lower 48 droughts. Are we going to be able to produce our own fertilizer from what we fish in the state? Are we going to be able to become energy independent? Like we did? Are we going to have better educational outcomes? Which we can. Wll of these things are possible. We just need people that believe that they're possible, and put those possibilities into policy actions. That's what I think Alaskans really want. Sure, they see things on the news. They read things in the paper, on the blogs, social media. And a lot of that, as you know, is is clickbait, and just a way to get people worked up and worried -- you yourself that you were a worrier. I don't -- they've been talking about the demise of mankind for thousands of -- humankind -- for hundreds and thousands of years, thousands of years, decades. I think, I think Alaska is poised to do some teriffic things. We are always going to have curveballs thrown at us. And so I think the biggest thing facing Alaska is leadership, but the belief in Alaska, in our ability to solve our problems, and move the state forward for our kids and grandkids, that's what I believe.

James Brooks 18:10

Okay. You had mentioned the educational system. And that's something that I'm curious about as well. Do you anticipate or would you like to see any changes to Alaska school funding system? Whether private or charter schools or state funding for those or changes to the BSA, or anything along those lines or something I haven't mentioned?

Mike Dunleavy 18:39

I think we should be having discussions about how do we, how do we ensure that the best -what is the best possible way that our kids are reading at grade levels that are what everyone expects? That they are performing in mathematics, at a level that everyone expects. That they become really, really -- and this is important -- independent thinkers, because we're going to be problem solvers that can think independently and think out of the box. I think those three areas are going to be absolutely crucial. I mean, we've got some, we've got some islands, I think, of brilliance in the state of Alaska when it comes to things like ANSEP for example, our university system focusing on the core areas, whether it's drones, whether it's heavy oil type of technology, to crack heavy oil, things like that. I think we want to focus on in terms of our education system. So no matter what it looks like, I think everyone should be in agreement. That it's these outcomes that matter most. It'll be great if we can modify our expectations in the system that we have now to get those outcomes. With regard to funding formulas, people have talked about revisiting the funding formula for years. I think the last time it was reallyrevisited was what, '95 or '96? I think. Maybe a little -- it was in the mid '90s. I think, I think there's nothing wrong with revisiting the formula. I think things like technology has advanced greatly. Just, I think, cost needs to be revisited. So where, where are the cost drivers? So I, like a lot of people, that may fear opening things up, or they fear about taking a different tack, I think Alaska has a real opportunity in their education system, to certainly do a lot better for its kids. And I'm not just talking urban kids, I'm talking rural kids. I think the measure that

we're all going to be measured by over the next several years is how well do we meet the needs and the expectations and the performance levels for our kids in rural Alaska? That's, that's going to be our challenge. And I think, I think, I think once we get through our fiscal, which we've, you know, once we get through that, we need to, we need to continue having this conversation on education at the same time, and see it through so that we're getting the outcomes that we want.

James Brooks 21:26

I want to follow up on the islands of brilliance thing that you mentioned. The state budget had some grants for things like heavy oil, drones, that you had mentioned. Do you think the state should be putting money towards those islands of brilliance or towards the places that are in the dark and need more help? So should we invest more in places that have been successful or invest in places that are lagging behind and may need help?

Mike Dunleavy 21:56

I think both. Those target areas that we talked about, such as drones and heavy oil, those are, those funds can help give a technological boost. And put Alaska -- not just on the map, that's not their purpose -- but really grow new industries, and new sectors that Alaska is well suited for. I think that's important. But I've always said, and this has always been the promise, James, of public education -- You know, I gotta be honest with you the narrative. The narrative about me has always been fascinating to me. 'I don't like kids.' I got three kids. I was a teacher. 'I don't like the University.' I went to the university, my kids -- two of them go to university, I worked for the University -- that makes some sense. 'I don't like rural Alaska.' I lived there for 20 years. I built a house there. I was married there, My kids were born there, my friends are there and my relatives are there. So when it comes to Alaska, I think the measure of success is going to be how well do we invest in rural Alaska in terms of their broadband, their economy, health care, educational system? We certainly can't be all things to all people. But I think, I think helping folks in rural Alaska rise up in terms of educational performance, health outcomes. economic opportunity, I think is going to be, is key, I think, to the success of the state.

James Brooks 23:39

You had mentioned rural Alaska. And when we put out our solicitation for questions to Alaska and saying what issues should we ask candidates, one thing that we heard from rural Alaska a lot is the fisheries along the Yukon and Kuskokwim rivers. While returns at Bristol Bay have been record this year, the returns on the Yukon and Kuskokwim really haven't and in some cases are pretty dire. What -- how should the state address this problem?

Mike Dunleavy 24:09

I think we have to uncover every stone in research. I've already been talking with our fisheries folks, that we need to make sure that we are we're totally invested in immersive research going forward. We've got to look at what's happening in-river. How much of our fry and fingerlings are

actually going down the river to get to the open ocean? We need to -- we set up a bycatch taskforce, not as a political pinata, but to actually get those folks involved in the business of fishing to assist us with understanding the impact of bycatch on this particular issue. As you mentioned, James, we're having phenomenal record runs, in for example, Bristol Bay with our reds. Our reds seem to be doing well our pinks seem to be doing well. Our silvers -- I'm talking statewide now -- seem to be doing okay. It's really our kings. And our chum salmon out west on the Kuskokwim and the Yukon. We've had a bit of a, tiny bit of a better return of chums this year, on the Kuskokwim. Certainly not the Yukon. Kings and chums, something is happening related to that river system, and we need to, we need to uncover exactly what it is, and try and figure this out. Could it be to be warming in the ocean? We don't know. Could it be something happening to the fry and fingerlings going down the river? We're not 100% sure. So I've charged my people with coming up with approaches that we need to take that we have a discussion with the legislature to make this an all-hands-on-deck because the fishing industry of Alaska is absolutely crucial, not just to the character of Alaska, the economy of Alaska, but the culture of Alaska. So we're not sure why we're getting enormous relative -- some species in some places -- and very poor runs in others with other salmon.

- James Brooks 26:03

 Do you think --
- Andrew Jensen 26:05

 Hey James, just as a quick heads up, we've got about four minutes left to go. Just so you know.
- James Brooks 26:10

 Thank you. Governor, to build on that, do you expect recommendations and action to be available next year? Like the studies that you talked about? Do you think there'll be the potential for legislation next year? Or, or how long might that take?
- Mike Dunleavy 26:27

 Yeah, I hope soon. I hope as soon as we get some of the data and the answers that we act upon them as quickly as possible. That's the goal. This is an issue, like I said, this is -- fishing is Alaska. And we have to turn every possible, every stone there is to come up with some solution to this issue as quickly as possible.
- James Brooks 26:50
 When I've been talking to legislative candidates, and governor candidates and even US House and Senate, they've talked about trawlers and the need to restrict trawling and end or eliminate bycatch. What do you think about that idea?

Mike Dunleavy 27:05

I think we need to reduce, eliminate bycatch as much as we possibly can. We don't want to make this a political issue. We want it based, as much as we can, on the science and data. And that's why we put together this group. But we certainly want to make sure that Alaska's resources, stay in Alaska for Alaska, to the extent possible. And so my goal is, as soon as we get the data that we can act upon, we'll act upon data to to ensure that Alaska is the winner in any of these scenarios, and the Alaskan people are, and that the fish are. So there's nothing -- there's no -- there's nothing off limits.

James Brooks 27:51

Gotcha. And to switch topics, the state has a large number of unfilled public jobs right now. I'm sure you're up on that. And that's whether it's in teaching or various branches of state government. So what should the state do to encourage hiring and retention and address that problem?

Mike Dunleavy 28:11

Well, I'm certainly James, I certainly want to be part of that solution by getting reelected, filling at least two positions, so that we have employment in those two positions for the people of Alaska. No, I'm kidding. So this is something that's happening all over the country, private and public sector. I've talked to governors who are having the same issue across the country. And when I talk to private folks, the private sector, same issue. It's a bizarre phenomenon. We don't -- the question is where did these people go and where are they at? So as you know, we've increased salaries in Alaska to attract and retain people. We've put signing bonuses in place to attract and retain people. And we're going to continue to dipstick and find out what it would take to get people to want to look at state government in terms of a career, but also, what are some of the things that they believe that we can differently in state government to make this a situation where we can get our vacancy rates down more and get good people in there serving the people of Alaska.

James Brooks 29:26

During the last legislative session, there were two pension bills intended intended to address that issue as well. What do you think of that idea of public pensions as an incentive?

Mike Dunleavy 29:37

Well, we have pension bills, which -- what you're really talking about, you're talking about defined benefits --

James Brooks 29:43 Yes. Mike Dunleavy 29:44

-- as opposed to defined contribution. And so again, there were discussions. I think there was discussion, a good discussion. We have to make sure that whatever is adopted works in the best interests of Alaskans today and tomorrow. So and depending, again, on the details and what's in those built and what's in the final product, I would say that you're gonna see more discussion on whether pensions or other incentives or other workplace conditions to make sure that we have a, we have a work environment that is inviting for people and helps us retain these people. So I better just be more discussions on on topics such as pension.

James Brooks 30:29

I understand that our time is is wrapping up. So my last question would be if there's a topic that we haven't discussed that you think that you'd like to get to or think we should talk about?

Mike Dunleavy 30:44
I think we've covered almost everything, haven't we?

Andrew Jensen 30:48

Gov feels like we have circled the bases here, James, so, so appreciate your time today. And thanks for, thanks for being available.

James Brooks 31:01
Yeah, thank you. I appreciate it.