

ALASKA STATE LEGISLATURE  
SENATE LABOR AND COMMERCE STANDING COMMITTEE

May 4, 2004

1:55 p.m.

**TAPE(S) 04-38**

**MEMBERS PRESENT**

Senator Con Bunde, Chair  
Senator Ralph Seekins, Vice Chair  
Senator Gary Stevens  
Senator Bettye Davis  
Senator Hollis French

**MEMBERS ABSENT**

All members present

**COMMITTEE CALENDAR**

**^CONFIRMATION HEARING**

^Board of Marine Pilots

Jack G. Poulson, Esq.

CS FOR HOUSE BILL NO. 91(FIN)

"An Act relating to medical benefits for retired peace officers after 20 years of credited service."

MOVED SCS CSHB 91(STA) OUT OF COMMITTEE

CS FOR HOUSE BILL NO. 418(FIN)

"An Act extending the termination date of the Real Estate Commission; relating to real estate; relating to home inspectors; relating to real estate licensees; and providing for an effective date."

MOVED SCS CSHB 418(L&C) OUT OF COMMITTEE

CS FOR HOUSE BILL NO. 540(L&C)

"An Act relating to workers' compensation insurance rates; and providing for an effective date."

MOVED CSHB 540(L&C) OUT OF COMMITTEE

CS FOR HOUSE CONCURRENT RESOLUTION NO. 32(EDT) am

Relating to information infrastructure and establishing the Alaska Information Infrastructure Policy Task Force.

MOVED CSHCR 32(EDT) am OUT OF COMMITTEE

CS FOR HOUSE BILL NO. 490(JUD) am

"An Act relating to the release of employment security records, to the binding effect of determinations and decisions regarding unemployment compensation benefits, and to contributions, interest, penalties, and payments under the Alaska Employment Security Act; providing that property under the Alaska Employment Security Act is not subject to the Uniform Unclaimed Property Act; and providing for an effective date."

MOVED CSHB 490(JUD) am OUT OF COMMITTEE

HOUSE BILL NO. 559 am

"An Act extending the termination of the state training and employment program; and providing for an effective date."

MOVED HB 559 am OUT OF COMMITTEE

CS FOR HOUSE BILL NO. 512(FIN)

"An Act establishing the Hydrogen Energy Partnership in the Department of Community and Economic Development; requiring the commissioner of community and economic development to seek public and private funding for the partnership; providing for the contingent repeal of an effective date; and providing for an effective date."

MOVED CSHB 512(FIN) OUT OF COMMITTEE

CS FOR HOUSE BILL NO. 272(STA) AM

"An Act relating to the advertising of motor vehicles, including trailers, for sale by motor vehicle dealers; relating to the financing of motor vehicle purchases; relating to motor vehicle sales contracts; relating to the disclosures required to be made by motor vehicle dealers when selling motor vehicles, including trailers, or when their service employees work on commission; relating to a motor vehicle dealer's selling as a new or current model vehicle, a motor vehicle required to be registered under AS 28.10; relating to a motor vehicle dealer's advertising an offer for the sale, lease, or purchase of a motor vehicle, including a trailer; relating to a motor vehicle dealer's conditioning the sale and delivery of a motor vehicle, including a trailer, on the buyer's purchase of other items; and relating to the return of a buyer's trade-in by a motor vehicle dealer."

MOVED SCS CSHB 272(L&C) OUT OF COMMITTEE

CS FOR HOUSE BILL NO. 542(RLS)

"An Act reducing to \$5,000 the ceiling for a contract price allowed under one construction contractor exemption and expanding the work that a specialty contractor may perform to include, in addition to work requiring not more than three trades, work under that construction contractor exemption; and changing the definition of specialty contractor to refer to the work that a specialty contractor may perform."

MOVED CSHB 542(RLS) OUT OF COMMITTEE

CS FOR HOUSE BILL NO. 421(JUD)

"An Act relating to reconveyances of deeds of trust."

MOVED CSHB 421(JUD) OUT OF COMMITTEE

#### **PREVIOUS COMMITTEE ACTION**

BILL: HB 91

SHORT TITLE: RETIRED PEACE OFFICER'S MEDICAL BENEFITS

SPONSOR(S): REPRESENTATIVE(S) ANDERSON

|          |     |   |
|----------|-----|---|
| 02/12/03 | (H) | READ THE FIRST TIME - REFERRALS         |
| 02/12/03 | (H) | L&C, FIN                                |
| 02/21/03 | (H) | L&C AT 3:15 PM CAPITOL 17               |
| 02/21/03 | (H) | Moved Out of Committee                  |
| 02/21/03 | (H) | MINUTE(L&C)                             |
| 02/24/03 | (H) | L&C RPT 4DP 1NR                         |
| 02/24/03 | (H) | DP: GATTO, CRAWFORD, GUTTENBERG,        |
| 02/24/03 | (H) | ANDERSON; NR: ROKEBERG                  |
| 03/18/03 | (H) | FIN AT 1:30 PM HOUSE FINANCE 519        |
| 03/18/03 | (H) | Heard & Held                            |
| 03/18/03 | (H) | MINUTE(FIN)                             |
| 02/17/04 | (H) | FIN AT 1:30 PM HOUSE FINANCE 519        |
| 02/17/04 | (H) | Heard & Held                            |
| 02/17/04 | (H) | MINUTE(FIN)                             |
| 02/19/04 | (H) | FIN AT 1:30 PM HOUSE FINANCE 519        |
| 02/19/04 | (H) | Moved CSHB 91(FIN) Out of Committee     |
| 02/19/04 | (H) | MINUTE(FIN)                             |
| 02/23/04 | (H) | FIN RPT CS(FIN) NT 3DP 7NR              |
| 02/23/04 | (H) | DP: CROFT, FATE, WILLIAMS; NR: MEYER,   |
| 02/23/04 | (H) | HAWKER, JOULE, MOSES, CHENAULT, FOSTER, |
| 02/23/04 | (H) | HARRIS                                  |
| 03/04/04 | (H) | TRANSMITTED TO (S)                      |

03/04/04 (H) VERSION: CSHB 91(FIN)  
03/05/04 (S) READ THE FIRST TIME - REFERRALS  
03/05/04 (S) STA, L&C, FIN  
03/18/04 (S) STA AT 3:30 PM BELTZ 211  
03/18/04 (S) Heard & Held  
03/18/04 (S) MINUTE(STA)  
04/01/04 (S) STA AT 3:30 PM BELTZ 211  
04/01/04 (S) Moved CSHB 91(STA) Out of Committee  
04/01/04 (S) MINUTE(STA)  
04/02/04 (S) STA RPT SCS 3NR SAME TITLE  
04/02/04 (S) NR: STEVENS G, COWDERY, STEDMAN  
04/13/04 (S) L&C AT 1:30 PM BELTZ 211  
04/13/04 (S) -- Meeting Canceled --  
04/15/04 (S) L&C AT 1:30 PM BELTZ 211  
04/15/04 (S) Heard & Held  
04/15/04 (S) MINUTE(L&C)  
05/04/04 (S) L&C AT 2:00 PM BELTZ 211

BILL: HB 418

SHORT TITLE: REAL ESTATE COM'N/LICENSEE/HOME INSPECT

SPONSOR(s): LABOR & COMMERCE

02/02/04 (H) READ THE FIRST TIME - REFERRALS  
02/02/04 (H) L&C  
02/16/04 (H) L&C AT 3:15 PM CAPITOL 17  
02/16/04 (H) Scheduled But Not Heard  
02/23/04 (H) L&C AT 3:15 PM CAPITOL 17  
02/23/04 (H) Moved CSHB 418(L&C) Out of Committee  
02/23/04 (H) MINUTE(L&C)  
02/26/04 (H) L&C RPT CS(L&C) NT 5DP 1NR  
02/26/04 (H) DP: LYNN, GATTO, ROKEBERG, DAHLSTROM,  
02/26/04 (H) ANDERSON; NR: GUTTENBERG  
02/26/04 (H) FIN REFERRAL ADDED AFTER L&C  
04/13/04 (H) FIN AT 3:00 PM HOUSE FINANCE 519  
04/13/04 (H) Moved CSHB 418(FIN) Out of Committee  
04/13/04 (H) MINUTE(FIN)  
04/14/04 (H) FIN RPT CS(FIN) NT 7DP 3NR  
04/14/04 (H) DP: MEYER, HAWKER, CHENAULT, FATE,  
04/14/04 (H) FOSTER, HARRIS, WILLIAMS; NR: STOLTZE,  
04/14/04 (H) JOULE, CROFT  
04/21/04 (H) TRANSMITTED TO (S)  
04/21/04 (H) VERSION: CSHB 418(FIN)  
04/22/04 (S) READ THE FIRST TIME - REFERRALS  
04/22/04 (S) L&C, FIN  
04/29/04 (S) L&C AT 2:45 PM BELTZ 211  
04/29/04 (S) Heard & Held  
04/29/04 (S) MINUTE(L&C)

05/04/04 (S) L&C AT 2:00 PM BELTZ 211

BILL: HB 540

SHORT TITLE: WORKERS' COMPENSATION INSURANCE RATES

SPONSOR(S): LABOR & COMMERCE

03/22/04 (H) READ THE FIRST TIME - REFERRALS  
03/22/04 (H) L&C  
03/31/04 (H) L&C AT 3:15 PM CAPITOL 17  
03/31/04 (H) <Bill Hearing Postponed to Fri. 4/2/04>  
04/02/04 (H) L&C AT 3:15 PM CAPITOL 17  
04/02/04 (H) Heard & Held  
04/02/04 (H) MINUTE(L&C)  
04/14/04 (H) L&C AT 3:15 PM CAPITOL 17  
04/14/04 (H) Heard & Held  
04/14/04 (H) MINUTE(L&C)  
04/16/04 (H) L&C AT 3:15 PM CAPITOL 17  
04/16/04 (H) Scheduled But Not Heard  
04/19/04 (H) L&C AT 3:15 PM CAPITOL 17  
04/19/04 (H) Moved CSHB 540(L&C) Out of Committee  
04/19/04 (H) MINUTE(L&C)  
04/22/04 (S) L&C AT 1:30 PM BELTZ 211  
04/22/04 (S) <Pending Referral>  
04/23/04 (H) L&C RPT CS(L&C) 3DP 4NR  
04/23/04 (H) DP: GATTO, ROKEBERG, ANDERSON;  
04/23/04 (H) NR: CRAWFORD, LYNN, DAHLSTROM,  
04/23/04 (H) GUTTENBERG  
04/27/04 (S) L&C AT 1:30 PM BELTZ 211  
04/27/04 (S) <Pending Referral>  
04/28/04 (H) MOVED TO BOTTOM OF CALENDAR  
04/28/04 (H) NOT TAKEN UP 4/28 - ON 4/29 CALENDAR  
04/29/04 (H) TRANSMITTED TO (S)  
04/29/04 (H) VERSION: CSHB 540(L&C)  
05/01/04 (S) READ THE FIRST TIME - REFERRALS  
05/01/04 (S) L&C  
05/04/04 (S) L&C AT 2:00 PM BELTZ 211

BILL: HCR 32

SHORT TITLE: AK INFO INFRASTRUCTURE POLICY TASK FORCE

SPONSOR(S): REPRESENTATIVE(S) KOTT

02/16/04 (H) READ THE FIRST TIME - REFERRALS  
02/16/04 (H) EDT, FIN  
02/26/04 (H) EDT AT 5:15 PM CAPITOL 120  
02/26/04 (H) -- Meeting Canceled --  
03/02/04 (H) EDT AT 10:00 AM CAPITOL 120  
03/02/04 (H) Moved CSHCR 32(EDT) Out of Committee

03/02/04 (H) MINUTE(EDT)  
 03/03/04 (H) EDT RPT CS(EDT) 5DP  
 03/03/04 (H) DP: KOTT, KOHRING, CRAWFORD, CISSNA,  
 03/03/04 (H) HEINZE  
 04/01/04 (H) FIN AT 1:30 PM HOUSE FINANCE 519  
 04/01/04 (H) Heard & Held  
 04/01/04 (H) MINUTE(FIN)  
 04/20/04 (H) FIN AT 8:30 AM HOUSE FINANCE 519  
 04/20/04 (H) Moved CSHCR 32(EDT) Out of Committee  
 04/20/04 (H) MINUTE(FIN)  
 04/21/04 (H) FIN RPT CS(EDT) 5DP 4NR  
 04/21/04 (H) DP: MOSES, CHENAULT, FATE, FOSTER,  
 04/21/04 (H) WILLIAMS; NR: MEYER, HAWKER, STOLTZE,  
 04/21/04 (H) HARRIS  
 04/23/04 (H) TRANSMITTED TO (S)  
 04/23/04 (H) VERSION: CSHCR 32(EDT) AM  
 04/26/04 (S) READ THE FIRST TIME - REFERRALS  
 04/26/04 (S) L&C, FIN  
 05/04/04 (S) L&C AT 2:00 PM BELTZ 211

BILL: HB 490

SHORT TITLE: EMPLOYMENT SECURITY ACT AMENDMENTS

SPONSOR(s): RULES BY REQUEST OF THE GOVERNOR

02/16/04 (H) READ THE FIRST TIME - REFERRALS  
 02/16/04 (H) L&C, JUD  
 03/22/04 (H) L&C AT 3:15 PM CAPITOL 17  
 03/22/04 (H) Scheduled But Not Heard  
 03/24/04 (H) L&C AT 3:15 PM CAPITOL 17  
 03/24/04 (H) Moved Out of Committee  
 03/24/04 (H) MINUTE(L&C)  
 03/25/04 (H) L&C RPT 4DP 3NR  
 03/25/04 (H) DP: LYNN, GATTO, DAHLSTROM, ANDERSON;  
 03/25/04 (H) NR: CRAWFORD, ROKEBERG, GUTTENBERG  
 04/07/04 (H) JUD AT 1:00 PM CAPITOL 120  
 04/07/04 (H) Moved CSHB 490(JUD) Out of Committee  
 04/07/04 (H) MINUTE(JUD)  
 04/14/04 (H) JUD RPT CS(JUD) NT 5NR  
 04/14/04 (H) NR: SAMUELS, HOLM, GARA, GRUENBERG,  
 04/14/04 (H) MCGUIRE  
 04/21/04 (H) TRANSMITTED TO (S)  
 04/21/04 (H) VERSION: CSHB 490(JUD) AM  
 04/22/04 (S) READ THE FIRST TIME - REFERRALS  
 04/22/04 (S) STA, L&C  
 05/01/04 (S) STA AT 0:00 AM BELTZ 211  
 05/01/04 (S) Moved CSHB 490(JUD) am Out of Committee  
 05/01/04 (S) MINUTE(STA)

05/02/04 (S) STA RPT 4NR  
05/02/04 (S) NR: STEVENS G, COWDERY, STEDMAN, GUESS  
05/04/04 (S) L&C AT 2:00 PM BELTZ 211

BILL: HB 559

SHORT TITLE: DELAY REPEAL OF STEP PROGRAM

SPONSOR(S): FINANCE

04/22/04 (H) READ THE FIRST TIME - REFERRALS  
04/22/04 (H) FIN  
04/26/04 (H) FIN RPT 6DP 1NR  
04/26/04 (H) DP: JOULE, MOSES, CHENAULT, FATE,  
04/26/04 (H) FOSTER, MEYER; NR: STOLTZE  
04/26/04 (H) FIN AT 8:30 AM HOUSE FINANCE 519  
04/26/04 (H) Moved Out of Committee  
04/26/04 (H) MINUTE(FIN)  
05/01/04 (H) TRANSMITTED TO (S)  
05/01/04 (H) VERSION: HB 559 AM  
05/02/04 (S) READ THE FIRST TIME - REFERRALS  
05/02/04 (S) L&C, FIN  
05/04/04 (S) L&C AT 2:00 PM BELTZ 211

BILL: HB 512

SHORT TITLE: HYDROGEN ENERGY RESEARCH PROGRAM

SPONSOR(S): REPRESENTATIVE(S) CRAWFORD

02/16/04 (H) READ THE FIRST TIME - REFERRALS  
02/16/04 (H) EDT, FIN  
02/24/04 (H) EDT AT 5:15 PM CAPITOL 120  
02/24/04 (H) Heard & Held  
02/24/04 (H) MINUTE(EDT)  
03/02/04 (H) EDT AT 10:00 AM CAPITOL 120  
03/02/04 (H) Moved Out of Committee  
03/02/04 (H) MINUTE(EDT)  
03/03/04 (H) EDT RPT 4DP 1AM  
03/03/04 (H) DP: CRAWFORD, CISSNA, KOTT, HEINZE;  
03/03/04 (H) AM: KOHRING  
04/14/04 (H) FIN AT 1:30 PM HOUSE FINANCE 519  
04/14/04 (H) Heard & Held  
04/14/04 (H) MINUTE(FIN)  
04/22/04 (H) FIN AT 8:30 AM HOUSE FINANCE 519  
04/22/04 (H) Moved CSHB 512(FIN) Out of Committee  
04/22/04 (H) MINUTE(FIN)  
04/23/04 (H) FIN RPT CS(FIN) 6DP  
04/23/04 (H) DP: JOULE, MOSES, CHENAULT, FATE,  
04/23/04 (H) FOSTER, WILLIAMS  
04/30/04 (H) TRANSMITTED TO (S)

04/30/04 (H) VERSION: CSHB 512(FIN)  
05/01/04 (S) READ THE FIRST TIME - REFERRALS  
05/01/04 (S) L&C, FIN  
05/04/04 (S) L&C AT 2:00 PM BELTZ 211

BILL: HB 272

SHORT TITLE: MOTOR VEHICLE DEALERS/SALES/ADS

SPONSOR(S): REPRESENTATIVE(S) WEYHRAUCH

04/16/03 (H) READ THE FIRST TIME - REFERRALS  
04/16/03 (H) L&C, STA  
04/28/03 (H) L&C AT 3:15 PM CAPITOL 17  
04/28/03 (H) Scheduled But Not Heard  
04/30/03 (H) L&C AT 3:15 PM CAPITOL 17  
04/30/03 (H) Scheduled But Not Heard  
05/01/03 (H) STA AT 8:00 AM CAPITOL 102  
05/01/03 (H) Scheduled But Not Heard  
05/05/03 (H) L&C AT 3:15 PM CAPITOL 17  
05/05/03 (H) Heard & Held  
05/05/03 (H) MINUTE(L&C)  
05/07/03 (H) L&C AT 3:15 PM CAPITOL 17  
05/07/03 (H) <Bill Hearing Postponed to Fri. 5/9/3>  
05/09/03 (H) L&C AT 3:15 PM CAPITOL 17  
05/09/03 (H) Moved CSHB 272(L&C) Out of Committee  
05/09/03 (H) MINUTE(L&C)  
05/12/03 (H) L&C RPT CS(L&C) 6DP 1AM  
05/12/03 (H) DP: LYNN, GATTO, CRAWFORD, DAHLSTROM,  
05/12/03 (H) ROKEBERG, ANDERSON; AM: GUTTENBERG  
05/13/03 (H) STA AT 8:00 AM CAPITOL 102  
05/13/03 (H) Heard & Held  
05/13/03 (H) MINUTE(STA)  
05/14/03 (H) STA AT 8:00 AM CAPITOL 102  
05/14/03 (H) Moved CSHB 272(L&C) Out of Committee  
05/14/03 (H) MINUTE(STA)  
05/15/03 (H) STA AT 8:00 AM CAPITOL 102  
05/15/03 (H) Heard & Held  
05/15/03 (H) MINUTE(STA)  
05/16/03 (H) STA RPT CS(STA) FORTHCOMING 3DP 1NR 3AM  
05/16/03 (H) DP: CRAWFORD, LYNN, WEYHRAUCH;  
05/16/03 (H) NR: HOLM; AM: DAHLSTROM, GRUENBERG,  
05/16/03 (H) SEATON  
05/16/03 (H) STA AT 8:00 AM CAPITOL 102  
05/16/03 (H) Moved CSHB 272(STA) Out of Committee  
05/16/03 (H) MINUTE(STA)  
05/17/03 (H) MOVED TO BOTTOM OF CALENDAR  
05/17/03 (H) CS(STA) RECEIVED  
05/17/03 (H) BEFORE THE HOUSE

05/18/03 (H) TAKE UP SAME DAY FAILED Y25 N11 E4  
05/19/03 (H) TRANSMITTED TO (S)  
05/19/03 (H) VERSION: CSHB 272(STA) AM  
05/19/03 (S) READ THE FIRST TIME - REFERRALS  
05/19/03 (S) TRA, L&C  
05/03/04 (S) TRA AT 2:00 PM BELTZ 211  
05/03/04 (S) Moved SCS CSHB 272(TRA) Out of  
Committee  
05/03/04 (S) MINUTE(TRA)  
05/04/04 (S) L&C AT 2:00 PM BELTZ 211

BILL: HB 542

SHORT TITLE: CONSTRUCTION CONTRACTORS

SPONSOR(s): LABOR & COMMERCE

03/24/04 (H) READ THE FIRST TIME - REFERRALS  
03/24/04 (H) L&C  
04/02/04 (H) L&C AT 3:15 PM CAPITOL 17  
04/02/04 (H) Scheduled But Not Heard  
04/07/04 (H) L&C AT 3:15 PM CAPITOL 17  
04/07/04 (H) Moved Out of Committee  
04/07/04 (H) MINUTE(L&C)  
04/13/04 (H) L&C RPT 7DP  
04/13/04 (H) DP: CRAWFORD, LYNN, GATTO, ROKEBERG,  
04/13/04 (H) DAHLSTROM, GUTTENBERG, ANDERSON  
04/15/04 (H) RLS AT 9:00 AM FAHRENKAMP 203  
04/15/04 (H) Scheduled But Not Heard  
04/29/04 (H) RLS AT 9:00 AM FAHRENKAMP 203  
04/29/04 (H) Moved CSHB 542(RLS) Out of Committee  
04/29/04 (H) MINUTE(RLS)  
04/30/04 (H) RLS RPT CS(RLS) NT 4DP 3NR  
04/30/04 (H) DP: COGHILL, KOTT, MCGUIRE, ROKEBERG;  
04/30/04 (H) NR: BERKOWITZ, MORGAN, KERTTULA  
04/30/04 (H) TRANSMITTED TO (S)  
04/30/04 (H) VERSION: CSHB 542(RLS)  
05/01/04 (S) READ THE FIRST TIME - REFERRALS  
05/01/04 (S) L&C  
05/04/04 (S) L&C AT 2:00 PM BELTZ 211

BILL: HB 421

SHORT TITLE: DEED OF TRUST RECONVEYANCE

SPONSOR(s): REPRESENTATIVE(s) ANDERSON

02/02/04 (H) READ THE FIRST TIME - REFERRALS  
02/02/04 (H) L&C, JUD  
03/19/04 (H) L&C AT 3:15 PM CAPITOL 17  
03/19/04 (H) Scheduled But Not Heard

03/24/04 (H) L&C AT 3:15 PM CAPITOL 17  
 03/24/04 (H) Moved CSHB 421(L&C) Out of Committee  
 03/24/04 (H) MINUTE(L&C)  
 03/25/04 (H) L&C RPT CS(L&C) 7DP  
 03/25/04 (H) DP: CRAWFORD, LYNN, GATTO, ROKEBERG,  
 03/25/04 (H) DAHLSTROM, GUTTENBERG, ANDERSON  
 04/21/04 (H) JUD AT 1:00 PM CAPITOL 120  
 04/21/04 (H) Moved CSHB 421(JUD) Out of Committee  
 04/21/04 (H) MINUTE(JUD)  
 04/22/04 (H) JUD RPT CS(JUD) 2DP 4NR  
 04/22/04 (H) DP: GRUENBERG, MCGUIRE; NR: HOLM,  
 04/22/04 (H) GARA, SAMUELS, OGG  
 04/28/04 (H) MOVED TO BOTTOM OF CALENDAR  
 04/28/04 (H) NOT TAKEN UP 4/28 - ON 4/29 CALENDAR  
 04/30/04 (H) TRANSMITTED TO (S)  
 04/30/04 (H) VERSION: CSHB 421(JUD)  
 05/01/04 (S) READ THE FIRST TIME - REFERRALS  
 05/01/04 (S) L&C, JUD  
 05/04/04 (S) L&C AT 2:00 PM BELTZ 211

**WITNESS REGISTER**

Ms. Janet Seitz  
 Staff to Representative Rokeberg  
 Alaska State Capitol  
 Juneau, AK 99801-1182  
**POSITION STATEMENT:** Commented on HB 418 for sponsor.

Ms. Pat Davidson  
 Legislative Audit Division  
 PO Box 113300  
 Juneau AK 99811-3300  
**POSITION STATEMENT:** Commented on HB 418.

Mr. Josh Applebee  
 Staff to Representative Tom Anderson  
 Alaska State Capitol  
 Juneau, AK 99801-1182  
**POSITION STATEMENT:** Commented on HB 540 and HB 421 for the sponsor.

Mr. Charlie Miller  
 Alaska National Insurance Company  
 PO Box 102286  
 Anchorage AK 99510  
**POSITION STATEMENT:** Supports HB 540.

Ms. Sarah McNair Grove  
Division of Insurance  
Department of Community & Economic Development  
PO Box 110800  
Juneau, AK 99811-0800  
**POSITION STATEMENT:** Supports HB 540.

Ms. Sue Stancliff  
Staff to Speaker Pete Kott  
Alaska State Capitol  
Juneau, AK 99801-1182  
**POSITION STATEMENT:** Commented on HCR 32 and HB 542 for the sponsor.

Mr. Stan Herrera  
Chief Technology Officer  
Department of Administration  
PO Box 110200  
Juneau, AK 99811-0200  
**POSITION STATEMENT:** Supports amending HCR 32.

Ms. Wynetta Ayers, Executive Director  
Southwest Alaska Municipal Conference (SWAMC)  
No address provided  
**POSITION STATEMENT:** Supports HCR 32.

Mr. Tom Nelson, Director  
Division of Employment Security  
Department of Labor & Workforce  
Development  
PO Box 21149  
Juneau, AK 99802-1149  
**POSITION STATEMENT:** Commented on HB 490 for sponsor.

Ms. Toby Steinberger, Assistant Attorney General  
Department of Law  
PO Box 110300  
Juneau, AK 99811-0300  
**POSITION STATEMENT:** Commented on HB 490.

Mr. Tom Wright  
Staff to Representative John Harris  
Alaska State Capitol  
Juneau, AK 99801-1182  
**POSITION STATEMENT:** Commented on HB 559 for the sponsor.

Representative Harry Crawford

Alaska State Capitol  
Juneau, AK 99801-1182  
**POSITION STATEMENT:** Sponsor of HB 512.

Mr. Jay Hardenbrook  
Staff to Representative Harry Crawford  
Alaska State Capitol  
Juneau, AK 99801-1182  
**POSITION STATEMENT:** Commented on HB 512.

Mr. Jerry McCutcheon  
Anchorage AK  
**POSITION STATEMENT:** Supports HB 512.

Ms. Linda Sylvester  
Staff to Representative Bruce Weyhrauch  
Alaska State Capitol  
Juneau, AK 99801-1182  
**POSITION STATEMENT:** Commented on HB 272 for the sponsor.

Mr. Ed Sniffen, Assistant Attorney General  
Department of Law  
PO Box 110300  
Juneau, AK 99811-0300  
**POSITION STATEMENT:** Commented on HB 272.

Mr. Steve Allwine  
Alaska Automobile Dealers' Association  
8725 Mallard St.  
Juneau AK 99801  
**POSITION STATEMENT:** Supports HB 272.

Ms. Eden Larson, President and CEO  
Associated Builders and Contractors (ABC)  
Anchorage AK  
**POSITION STATEMENT:** Supports HB 542.

Mr. Rick Union, Director  
Division of Occupational Licensing  
Department of Community & Economic Development  
PO Box 110800  
Juneau, AK 99811-0800  
**POSITION STATEMENT:** Supports HB 542.

Mr. Bryan Merrell  
State Agency Manager Underwriter  
First American Title Insurance Company

Anchorage AK

**POSITION STATEMENT:** Supports HB 542.

**ACTION NARRATIVE**

**TAPE 04-38, SIDE A**

CHAIR CON BUNDE called the Senate Labor and Commerce Standing Committee meeting to order at 1:55 p.m. Present were Senators Seekins, Gary Stevens, Bettye Davis and Chair Con Bunde. Senator French arrived at 1:55 p.m. The first order of business to come before the committee was the confirmation hearing for Jack Poulson, Esq. to the Board of Marine Pilots. There were no objections to moving his name forward and it was so done.

^#HB91

**SCS CSHB 91(STA)-RETIRED PEACE OFFICER'S MEDICAL BENEFITS**

CHAIR CON BUNDE announced HB 91 to be up for consideration.

SENATOR RALPH SEEKINS moved to pass SCS CSHB 91(STA) from committee with individual recommendations and the attached fiscal note. Senators Davis, Gary Stevens, and Seekins voted yea. Senator Bunde voted nay and SCS CSHB 91(STA) moved from committee.

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^#HB418

**CSHB 418(FIN)-REAL ESTATE COM'N/LICENSEE/HOME INSPECT**

CHAIR CON BUNDE announced CSHB 418(FIN) to be up for consideration. He moved to adopt Amendment 1 and objected for discussion purposes and explained that Legislative Audit had suggested having mobile homes fall under real estate licenses, but that issue is currently under discussion by the Real Estate Board and doesn't need to be addressed now.

23-LS1548\I.3

**A M E N D M E N T**

OFFERED IN THE SENATE  
TO: CSHB 418(FIN)

BY SENATOR BUNDE

Page 3, following line 11:

Insert a new bill section to read:

"\*Sec. 6. AS 08.88.470 is amended to read:

Sec. 08.88.470. Findings and payment. At the conclusion of the commission's consideration of a claim made under AS 08.88.460, it shall make written findings and conclusions on the evidence. If the commission finds that the claimant has suffered a loss in a real estate transaction as a result of fraud, misrepresentation, deceit, or the conversion of trust funds or the conversion of community association accounts under the control of a community association manager on the part of a real estate licensee, the commission may award a claimant reimbursement from the real estate surety fund for the claimant's loss up to \$20,000 [\$10,000]. Not more than \$20,000 [\$10,000] may be paid for each transaction regardless of the number of persons injured or the number of parcels of real estate involved in the transaction."

Renumber the following bill sections accordingly.

SENATOR HOLLIS FRENCH arrived at 1:55 p.m.

CHAIR BUNDE continued explaining that the other concern was raising the loss limit from \$10,000 to \$20,000.

MS. JANET SEITZ, staff to Representative Rokeberg, sponsor, said that he did not support raising the limit because it could impact the licensing fees for the real estate agents and also he believes that anything above \$10,000 should be taken to court.

SENATOR RALPH SEEKINS asked how many past claims above \$10,000 had been taken to court.

MS. SEITZ said that the audit indicated that recent payments were all above \$10,000 and more into the \$20,000 range.

CHAIR BUNDE showed the committee a list of states that administer a real estate recovery fund and Alaska at \$10,000 is joined by four other states. The rest of the states are at \$15,000 - \$50,000.

MS. PAT DAVIDSON, Division of Legislative Audit, explained that her audit found five disbursements out of the surety fund over the last four years. All the actual claims reported and substantiated by the hearing officers were in excess of \$10,000 and one was in excess of \$20,000, which is one of the main reasons she recommended changing the threshold.

SENATOR SEEKINS asked what the size of the fund is now.

MS. DAVIDSON answered that it was \$467,000 at the end of FY03. It has a floor of \$250,000 and was supposed to have a cap of \$500,000 originally. Statute also provides a \$125 cap that could be paid into the surety fund per licensee. Right now it is \$60. In summary, the fund is close to its cap and licensees are making substantially less than the maximum contributions to the fund.

SENATOR SEEKINS noted that there didn't seem to be any foreseeable shrinkage of the size of the fund based on the last four years history.

MS. DAVIDSON responded that the funds appear to be adequate, but individual claims run differently and don't have a predictable nature.

CHAIR BUNDE asked when the \$10,000 cap was set.

MS. DAVIDSON answered in 1974 when the fund was first established in statute. If one used the CPI for inflation, the cap would be over \$30,000.

CHAIR BUNDE asked how much real estate licenses would go up.

MS. DAVIDSON replied that statutes were amended in 1998 limiting the fee to no more than \$125. The current fee is set at \$30 per licensee.

SENATOR FRENCH noted a conflict of interest as his wife is a real estate professional.

CHAIR BUNDE noted it and then removed his objection to Amendment 1. There were no other objections and Amendment 1 was adopted.

SENATOR SEEKINS moved to pass SCS CSHB 418(L&C) from committee with individual recommendations and attached fiscal note. Senators Gary Stevens, Bettye Davis, Seekins and Chair Bunde voted yea and SCS CSHB 418(L&C) moved from committee.

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^#HB540

**CSHB 540(L&C)-WORKERS' COMPENSATION INSURANCE RATES**

CHAIR CON BUNDE announced HB 540 to be up for consideration.

MR. JOSH APPLEBEE, staff to Representative Tom Anderson, sponsor, explained that the CS to HB 540 addresses a long-standing problem with Alaska Workers' Compensation loss cost filing. It makes the statute a more open and transparent process that gives stakeholders in the system an opportunity for input and understanding of the "loss cost" filings, which are a fundamental building block of the workers' compensation rates. Initially, the Division of Insurance voiced concerns regarding timeline and process issues. At the request of the committee, the company who brought the issue forward and the Division of Insurance worked together to produce the committee substitute before them now. It has their full support.

MR. CHARLIE MILLER, Alaska National Insurance Company (ANIC), said that loss costs are the basic component of what becomes workers' compensation rates. The rating agency reviews the previous data and tries to project what the loss cost will be in the upcoming rate year. It's an actuarial exercise and ANIC hoped to be able to participate more in setting the rate. He supported the committee substitute.

MS. SARAH MCNAIR GROVE, Property Casualty Actuary, Division of Insurance, said the CS has a good process that meets the needs of all the participants, including the insurer. Currently, the National Council on Compensation Insurance (NCCI) sets the rate that is then reviewed by the division. Now the insurer will have a seat at the table.

SENATOR FRENCH commented that some people might view raising rates as a way of making up for past losses.

MS. GROVE denied that was the intent of this bill. The intent is to give more stakeholders the ability to raise questions and provide information in the process.

MR. BOB LOHR testified in support of the SCS to HB 540 as the former director for the Division of Insurance. He explained that the filings have a detailed hearing process set out by a rating organization like the NCCI. However he questioned whether the 20 - 25 day time-frame (on page 3) in which to have a hearing after receipt of a filing was an adequate window to conduct a hearing. Lines 15 - 16 on page 4 clarifies that the hearings are a public record, which he supported.

Page 5, line 18, requires the rating organization to make the information available as soon as possible and he asked the committee to consider making it available immediately. The order

must include details of the director's reasoning and presumed the order must state the director's reasoning on line 22 and he felt that it should just be stated.

On page 6, lines 22 - 25, the final definition says a perspective loss cost filing is a term defined, but doesn't label it as a filing submitted by a rating organization. He thought it should explicitly state that it is a filing submitted by a rating organization.

CHAIR BUNDE asked Ms. Grove if she supported Mr. Lohr's suggestions about the time-frame, the soon as possible versus immediately issue and the definition.

MS. GROVE explained that 20 -25 days was the time-frame in which it could be determined that a hearing needed to be held and she was comfortable with it. She felt that as-soon-as-possible and immediately meant the same thing and had discussed that with the rating organization that would have a website on which to post the information. She said the definition section mirrors language that is already in regulation and felt that should stay.

SENATOR RALPH SEEKINS moved to pass SCS HB 540(L&C) from committee with individual recommendations and attached fiscal note. Senators French, Gary Stevens, Seekins, Davis and Chair Bunde voted yea and CSHB 540(L&C) moved from committee.

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^#HCR32

**CSHCR 32(EDT)am-AK INFO INFRASTRUCTURE POLICY TASK FORCE**

CHAIR CON BUNDE announced CSHCR 32(EDT) am to be up for consideration.

MS. SUE STANCLIFF, staff to Speaker Kott, sponsor, said that HCR 32 establishes the Alaska Information Infrastructure Policy Task Force, which will be charged with consideration of Alaska's role and interest in long-term information infrastructure development. In summary, the sponsor statement said:

It will provide communities with access to broadband connectivity and provide for telecommunications, health care education, homeland security and economic development opportunities. Access to fiber optic connectivity will help bridge the divide that

separates rural Alaska and the benefits of technological advances realized in urban Alaska.

The Progressive Policy Institute has a new economy index that shows where Alaska is in the new economy. In 1999, Alaska was ranked 13<sup>th</sup> most competitive state; by 2002 it had dropped to the 31<sup>st</sup> most competitive state, the sharpest drop among all the states. "We're losing ground, Mr. Chairman, and this task force can address the question of how Alaska can get back on track...."

MR. STAN HERRERA, Chief Technology Officer, Department of Administration, said the resolution identifies 13 members to the task force without any representation from the Department of Administration. The Department of Enterprise Technologies Services currently provides all centralized data processing, data communications and telecommunications for the state agencies identified by Alaska statute. He has submitted his concerns to the Speaker of the House and recommended that the Department of Administration be represented on the task force.

MS. STANCLIFF commented that the sponsor did not support adding a representative from the Department of Administration.

CHAIR BUNDE said he had concerns about unequal representation in the Legislature and asked for an amendment to delete one of the members of the Legislature and have him replaced by a commissioner or designee of the Department of Administration.

SENATOR HOLLIS FRENCH agreed with him.

SENATOR GARY STEVENS conceptually moved to reduce the legislative members to two and to add one member from the Department of Administration.

SENATOR BETTYE DAVIS said that although she supported the concept, it was close to the end of session and the sponsor did not support the amendment and felt that was an important consideration.

MS. WYNETTA AYERS, Executive Director, Southwest Alaska Municipal Conference (SWAMC), supported HCR 32. The task force is needed to develop a cohesive strategy for information technology and infrastructure in Alaska. She related how several other states had successfully developed programs. She hoped the state's opportunities could be leveraged in Southwest Alaska to develop its economy.

SENATOR GARY STEVENS said he took Senator Davis' comment to heart and didn't want to kill this bill by dragging it out and withdrew his amendment.

CHAIR BUNDE said he would let this bill set until the end of the meeting.

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^#HB490

**CSHB 490(JUD)am-EMPLOYMENT SECURITY ACT AMENDMENTS**

CHAIR CON BUNDE announced CSHB 490(JUD) am to be up for consideration.

MR. TOM NELSON, Director, Division of Employment Security, Department of Labor and Workforce Development (DOLWD), explained that the changes are mainly housekeeping measures and will align state law with federal law and will bring Alaska into compliance with the Unemployment Insurance overpayment arrangement it has with other states.

CHAIR BUNDE asked if anyone opposed the bill.

MR. NELSON replied that he hadn't heard of any opposition.

MS. TOBY STEINBERGER, Assistant Attorney General, offered to explain sections 1 - 3 and 8. The changes in sections 1- 3 deal with employment security records for criminal investigation and prosecution purposes. Locations of employment of suspects, witnesses, victims and persons on parole or probation can be found.

**TAPE 04-38, SIDE B**

MS. STEINBERGER noted that the Employment Security Division is heavily federally funded. The U.S. Department of Labor has required that its records be kept confidential with some exceptions. Accordingly, AS 23.20.110 has allowed for these exceptions, but none of them allow for releasing of information for criminal prosecution and investigation purposes other than for prosecuting cases against claimants who have fraudulently received unemployment compensation benefits. This amendment would allow the Criminal Division to find suspects, witnesses and victims since the information is so up-to-date. Sometimes people move by the time the case goes to trial and this information will help in finding out where they work. The U.S.

Department of Labor has reviewed and approved the amendment. Other states - Washington, Iowa, Arkansas, Georgia, Utah and Oklahoma - have been allowed to release employment security information for criminal investigations and prosecutions.

SENATOR FRENCH asked for a quick review of what happens in the rest of the bill.

MR. NELSON explained that sections 4 - 12 authorize the department to adopt regulations providing for the distribution of unclaimed excess contributions. Sections 5 and 6 clarify statute by adding the terms "manager" and "limited liability company" to the definitions. Section 7 brings Alaska into conformity with the Interstate Reciprocal Overpayment Recovery Arrangement that it has with other states and provides the Employment Security Division the ability to collect unemployment insurance overpayments on behalf of other states for reasons other than fraud. States in this agreement already provide this service to Alaska.

Section 8 adds a definition of action to mean a court or administrative proceeding not brought under this chapter or in arbitration proceeding. Section 10 aligns Alaska language with federal law by clarifying which health care professionals are excluded from the definition of employment. Only student nurses and medical interns are excluded. Section 11 clarifies language that provides an exclusion from the definition of wages for payments or benefits provided by the employer for educational assistance to its employees. Federal law already provides this exclusion from their definition of wages. Section 13 is the immediate effective date clause.

SENATOR RALPH SEEKINS moved to pass CSHB 490(JUD am from committee with individual recommendations and attached fiscal note. Senators Gary Stevens, Davis, French, Seekins and Chair Bunde vote yea; and CSHB 490(JUD) am moved from committee.

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2:45 - 2:46 - at ease

^#HB559

**HB 559 am-DELAY REPEAL OF STEP PROGRAM**

CHAIR CON BUNDE announced HB 559 am to be up for consideration.

MR. TOM WRIGHT, staff to Representative John Harris, said this bill reauthorizes the STEP program for another four years.

SENATOR RALPH SEEKINS moved to pass HB 559 am from committee with individual recommendations and attached fiscal note. Senators Davis, Seekins, Gary Stevens, French and Chair Bunde voted yea; and HB 559 am moved from committee.

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^#HB512

**CSHB 512(FIN)-HYDROGEN ENERGY RESEARCH PROGRAM**

CHAIR CON BUNDE announced CSHB 512(FIN) to be up for consideration.

REPRESENTATIVE HARRY CRAWFORD, sponsor, explained that HB 512 sets up an hydrogen energy partnership. He related how Wayne Gretski, a great hockey player, said the difference between him and all the other highly talented skaters in the National Hockey League is that he always tried to skate where he thought the puck was going to be, not where it was. Even though Alaska depends on its natural gas and oil now, the fuel of the future is going to be hydrogen - and Alaska has great potential.

CHAIR BUNDE asked if he thought this would undermine the need to develop ANWR.

REPRESENTATIVE CRAWFORD replied no. He thought opening ANWR is necessary now to address the country's energy concerns and lessen dependency on foreign oil. He noted that Governor Schwarzeneger is putting together a network of hydrogen pumps that are no further than 20 miles apart in California.

SENATOR SEEKINS asked what statute paragraph 44 would be added to.

MR. JAY HARDENBROOK, staff to Representative Crawford, replied that it would be placed under the Department of Community and Economic Development.

SENATOR SEEKINS asked if the state was supposed to take up the slack in funding if it wasn't forthcoming.

MR. HARDENBROOK replied that the bill is designed so that if funding is not in place by 2009, the program will go away. The Department of Community & Economic Development (DCED) set up the fiscal note so that it would be funded by program receipts and a partnership with Alaska Industrial Development and Export Authority (AIDEA).

MR. JERRY MCCUTCHEON, Anchorage, supported the idea behind using hydrogen as an energy source in California, but noted that there is no hydrogen in the state. It takes three times as much natural gas to produce the hydrogen to run something than it would to just use the natural gas in the first place. He said, "Guess what! Alaska has the only game in town." The nearest source of energy for California is the Susitna project in Alaska. He, therefore, suggested adding California to market evaluation language on page 3.

REPRESENTATIVE CRAWFORD commented that he supported that idea.

SENATOR SEEKINS said he wasn't convinced that hydrogen is the wave of the future in energy. "If it was something that vital, I think that private industry would take care of it."

SENATOR BETTYE DAVIS moved to pass CSHB 512(FIN) from committee. Senators French, Gary Stevens, Davis and Chair Bunde voted yea; Senator Seekins voted nay; and CSHB 512(FIN) moved from committee.

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#HCR32

**CSHCR 32(EDT)am-AK INFO INFRASTRUCTURE POLICY TASK FORCE**

CHAIR CON BUNDE announced CSHCR 32(EDT) am to be back up for consideration.

SENATOR GARY STEVENS moved to pass CSHCR 32(EDT) am from committee with individual recommendations and attached fiscal notes. Senators Seekins, French, Gary Stevens, Davis and Chair Bunde voted yea; and CSHCR 32(EDT) am moved from committee.

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^#HB272

**CSHB 272(STA) AM -MOTOR VEHICLE DEALERS/SALES/ADS**

CHAIR CON BUNDE announced CSHB 272(STA) AM to be up for consideration.

SENATOR RALPH SEEKINS moved to adopt the proposed SCS CSHB 272(L&C), version \S, as the working document. There were no objections and it was so ordered.

SENATOR SEEKINS noted that he is an automobile dealer.

CHAIR BUNDE said it was noted.

MS. LINDA SYLVESTER, staff to Representative Bruce Weyhrauch, sponsor, briefed the committee that HB 272 addresses a few technical changes to the automobile omnibus bill that was passed in 2002.

SENATOR GARY STEVENS asked what problems removing section 1 corrects.

SENATOR SEEKINS related that current law prohibits someone from selling a vehicle as a new vehicle if he doesn't have a franchise to sell that vehicle. Problems arise with the date and duration of warranties, who it applies to and associated problems with service contracts. An attempt was made to clarify this issue with a new vehicle definition. However, used car dealers who sell new cars without having a franchise have caused a hubbub about it. So, the Alaska Automobile Dealers Association (AADA) said it would forego trying to redefine a new vehicle for now and just asks the Department of Law to monitor and investigate consumer and enforcement problems associated with the current law and report back to the next legislature - providing better documentation of the concerns.

MR. ED SNIFFEN, Department of Law (DOL), said the issue is whether or not Alaska wants to allow used car dealers to import current year, low mileage vehicles and sell them as used cars, but at the same time compete with franchised new cars dealers. Alaska has a law that prevents any dealer from selling a used car as a new car unless it has the manufacturer's statement of origin (MSO) on it. In effect, this means that a dealer could not sell a new 2004 car until the 2005 models come out. So, if a service man buys a 2004 Dodge Ram, has it for a few months and then gets deployed to Iraq and needs to sell it, he has a difficult time selling it to a dealer because no dealer could sell that car until the 2005 model year was available. However, he was confident that he could work with the AADA to resolve the issue.

The other part of the bill cleans up language that didn't sound right and removes provisions that don't apply in Alaska. There has been no opposition to those sections.

MR. STEVE ALLWINE, Secretary, Alaska Automobile Dealers Association, supported the previous comments and felt that more data was needed before a resolution was adopted.

SENATOR SEEKINS moved to pass SCS CSHB 272(L&C), version \S, from committee with individual recommendations. Senators French, Gary Stevens, Davis, Seekins and Chair Bunde voted yea; and SCS CSHB 272(L&C) moved from committee.

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^#HB542

**CSHB 542(RLS)-CONSTRUCTION CONTRACTORS**

CHAIR CON BUNDE announced CSHB 542(RLS) to be up for consideration.

MS. SUE STANCLIFF, staff to Speaker Kott, sponsor, explained that the bill is meant to provide a solution to the growing issue of unregistered contractors providing construction services illegally under the guise of a handyman license. Current law states minimum requirements for a person who represents himself as either a contractor or a specialty contractor. Instead of meeting qualification standards and insurance requirements, 1,600 business licenses have been issued to these construction-related, exempt-from-contractor registrations. This bill lowers the project limit from \$10,000 to \$5,000 and expands the work that can be done by a specialty contractor.

MS. EDEN LARSON, President and CEO, Associated Builders and Contractors, supported HB 542.

MR. RICK URION, Director, Division of Occupational Licensing, said his division had more complaints in this area than anywhere else. The problem is that unlicensed people are uninsured and not bonded and the consumer has no recourse if he or she does a bad job. He explained that a category of handyman has been created helping clarify the situation.

SENATOR FRENCH asked if a handyman can be a specialty contractor and asked what section 3 does.

MR. URION answered that the way the law was written they were a specialty contractor, but they were exempt from construction. Section 3 changes that.

SENATOR FRENCH asked what problems lowering the project limit from \$10,000 to \$5,000 would correct.

MR. URION replied that it would keep handymen in the repair business and out of the construction business.

SENATOR FRENCH put on the record that he owns apartment houses in Anchorage and couldn't get along without his handyman. He didn't want to threaten his ability to do work.

SENATOR GARY STEVENS asked if this would possibly raise the cost of hiring a handyman by adding costs to be passed on to the consumer.

MR. URION explained that no overhead was being added to the handyman category for projects under \$5,000.

SENATOR GARY STEVENS moved to pass CSHB 542(RLS) from committee with individual recommendations and attached fiscal note. Senators French, Davis, Seekins, Gary Stevens and Chair Bunde voted yea and CSHB 542(RLS) moved from committee.

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^#HB421

**CSHB 421(JUD)-DEED OF TRUST RECONVEYANCE**

CHAIR CON BUNDE announced CSHB 421(JUD) to be up for consideration.

MR. JOSH APPLEBEE, staff to Representative Tom Anderson, sponsor, said that the Alaska Land Title Association came forward with this as a way to help people clear titles to their homes. It is supported by the Alaska Mortgage Bankers Association and the Alaska State Homebuilders Association and has been reviewed by many housing sectors. Once a loan is paid, the bill intends to make sure it shows the loan has been paid off. Most banks in Alaska don't keep loans for more than 130 days and sell them to service companies located outside of the state. Once that loan is paid off, there is no requirement for the mortgage servicer to make sure the reconveyance is taken care of at the recorder's office. One title insurance company testified that over 1,400 deeds of trust were pending reconveyance.

MR. BRYAN MERRELL said he is the immediate past president of Alaska Land Title Association and is the State Agency Manager Underwriter for First American Title Insurance Company, the largest title insurance company in Alaska. He supported HB 421 saying, "It's a good piece of consumer legislation."

SENATOR BETTYE DAVIS moved to pass CSHB 421(JUD) from committee with individual recommendations. Senators Gary Stevens, Davis,

French, Seekins and Chair Bunde voted yea; and CSHB 421(JUD) moved from committee.

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There being no further business to come before the committee, CHAIR BUNDE adjourned the meeting at 3:25 p.m.