

**ALASKA STATE LEGISLATURE**  
**HOUSE LABOR AND COMMERCE STANDING COMMITTEE**

April 10, 2009

4:36 p.m.

**MEMBERS PRESENT**

Representative Kurt Olson, Chair  
Representative Mark Neuman, Vice Chair  
Representative John Coghill  
Representative Bob Lynn  
Representative Robert L. "Bob" Buch  
Representative Lindsey Holmes

**MEMBERS ABSENT**

Representative Mike Chenault

**COMMITTEE CALENDAR**

HOUSE BILL NO. 222

"An Act prohibiting discrimination by health care insurers based on genetic information; requiring a health care insurer to offer coverage for the treatment of alcoholism or drug abuse; providing continuity of coverage for college students during medically necessary leaves of absence from college; requiring health care insurers in the group market to provide parity in the application of mental health and substance abuse benefits that comply with federal requirements; amending the definition of 'dentist' to include out-of-state dentists for purposes of certain dental insurance requirements; and providing for an effective date."

- MOVED HB 222 OUT OF COMMITTEE

HOUSE BILL NO. 221

"An Act relating to the state's participation in the federal Nationwide Mortgage Licensing System and Registry, and to mortgage lending regulation and licensing; and providing for an effective date."

- MOVED CSHB 221(L&C) OUT OF COMMITTEE

CONFIRMATION HEARING(S):

Alaska State Board of Public Accountancy

Carla Bassler - Anchorage  
John Floyd - Anchorage  
Kathleen A. Reid - Fairbanks  
Elaine Williamson - Fairbanks

- CONFIRMATION(S) ADVANCED

Alcoholic Beverage Control Board

Ethan Billings - Juneau  
Belen Cook - Cordova  
Ellen Ganley - Fairbanks

- CONFIRMATION(S) ADVANCED

State Board of Registration for Architects, Engineers, and Land Surveyors

Boyd Brownfield - Anchorage  
Erik Eriksen - Juneau  
Craig Freedden - Anchorage  
Richard Heieren - Fairbanks  
Harley Hightower - Anchorage  
Richard Rearick - Eagle River  
Don Shiesl - Wasilla

- CONFIRMATION(S) ADVANCED

Board of Barbers and Hairdressers

Carol Hernley - Cordova  
Debra Long - Fairbanks

- CONFIRMATION(S) ADVANCED

Board of Chiropractic Examiners

Dr. Dan Holt - Juneau  
Dr. Rosemary Zimmerman - Girdwood

- CONFIRMATION(S) ADVANCED

Board of Dental Examiners

Robyn Chaney - Dillingham  
Dr. Mary Ann Navitsky - Sitka  
Deborah Stauffer - Anchorage

Dr. Clifford Douglas White - Dillingham

- CONFIRMATION(S) ADVANCED

Alaska Labor Relations Agency

Tyler E. Andrews - Anchorage  
Will Askren - Anchorage  
Gary P. Bader - Anchorage  
Aaron T. Isaacs, Jr. - Klawock  
Matthew R. McSorley - Anchorage

- CONFIRMATION(S) ADVANCED

Board of Marine Pilots

Dale O. Collins - Ketchikan  
Michael Heimbuch - Homer

- CONFIRMATION(S) ADVANCED

Board of Marital and Family Therapy

Kimberly K. Horn - Juneau  
Patricia A. White - Juneau

- CONFIRMATION(S) ADVANCED

Board of Certified Direct-Entry Midwives

Barbara Norton - Anchorage

- CONFIRMATION(S) ADVANCED

Board of Nursing

Thomas Hendrix - Eagle River  
Janine L. McCready - Fairbanks

- CONFIRMATION(S) ADVANCED

Occupational Safety and Health Review Board

Thomas A. Trosvig - Kodiak

- CONFIRMATION(S) ADVANCED

Board of Examiners in Optometry

Dr. Dennis A. Swarner - Kenai

- CONFIRMATION(S) ADVANCED

Board of Pharmacy

Leah Handley - Homer

Steve R. Johnson

Chris "CJ" Kim

Mary D. Mundell

- CONFIRMATION(S) ADVANCED

State Physical Therapy and Occupational Therapy Board

Jay McDiarmid - Fairbanks

Dr. Marc Slonimski - Fairbanks

- CONFIRMATION(S) ADVANCED

Board of Professional Counselors

Ray DePalatis - Anchorage

Lillian Mitchell - Anchorage

Tashawna L. Olson - Homer

- CONFIRMATION(S) ADVANCED

Board of Psychologist and Psychological Associate Examiners

Dr. Kristi H. Fuller - Anchorage

- CONFIRMATION(S) ADVANCED

Board of Certified Real Estate Appraisers

Richard "Butch" D. Olmstead - Ketchikan

Gene H. Shafer - Fairbanks

- CONFIRMATION(S) ADVANCED

Real Estate Commission

Nancy Davis - Sitka

Barbara A. Dickson - Anchorage

Gene DuVal - Fairbanks

- CONFIRMATION(S) ADVANCED

Regulatory Commission of Alaska (RCA)

Paul Lisankie - Anchorage

- CONFIRMATION(S) ADVANCED

Board of Social Work Examiners

Darrell Allman - Anchorage

Gail La Rose-Henderson - Wasilla

Patty McMillin - Bethel

- CONFIRMATION(S) ADVANCED

Board of Veterinary Examiners

Margaret J. Eastman - North Pole

- CONFIRMATION(S) ADVANCED

Workers' Compensation Appeals Commission

Philip E. Ulmer - Eagle River

- CONFIRMATION(S) ADVANCED

Alaska Workers' Compensation Board

Richard H. Behrends - Juneau

Howard A. Hansen - Anchorage

Linda F. Hutchings - Soldotna

Sarah LeFebvre - Fairbanks

Kiana Peacock - Anchorage

Daniel Repasky - Anchorage

Marc D. Stemp - Anchorage

Patricia A. Vollendorf - Anchorage

Robert C. Weel - Anchorage

- CONFIRMATION(S) ADVANCED

SENATE BILL NO. 125

"An Act changing the name of the Alaska Aerospace Development Corporation to Alaska Aerospace Corporation."

- SCHEDULED BUT NOT HEARD

**PREVIOUS COMMITTEE ACTION**

BILL: HB 222

SHORT TITLE: MED. INS. ELIGIBILITY/NONDISCRIMINATION

SPONSOR(S): REPRESENTATIVE(S) HOLMES

04/08/09 (H) READ THE FIRST TIME - REFERRALS  
04/08/09 (H) L&C  
04/10/09 (H) L&C AT 3:15 PM BARNES 124

BILL: HB 221

SHORT TITLE: MORTGAGE LENDING REGULATION

SPONSOR(S): LABOR & COMMERCE

04/08/09 (H) READ THE FIRST TIME - REFERRALS  
04/08/09 (H) L&C, FIN  
04/10/09 (H) L&C AT 3:15 PM BARNES 124

**WITNESS REGISTER**

JAMES WALDO, Staff, Representative Lindsey Holmes  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Presented HB 222 on behalf of  
Representative Lindsey Holmes, prime sponsor of the bill.

TYSON FICK, Legislative Liaison  
Office of the Commissioner  
Department of Commerce, Community, & Economic Development  
(DCCED)  
Juneau, Alaska

**POSITION STATEMENT:** Testified during the discussion of HB 221.

**ACTION NARRATIVE**

4:36:03 PM

**CHAIR KURT OLSON** called the House Labor and Commerce Standing Committee meeting to order at 4:36 p.m. Representatives Buch, Holmes, Lynn, and Olson were present at the call to order. Representatives Coghill and Neuman arrived as the meeting was in progress.

HB 222-MED. INS. ELIGIBILITY/NONDISCRIMINATION

[4:36:07 PM](#)

CHAIR OLSON announced that the first order of business would be HOUSE BILL NO. 222, "An Act prohibiting discrimination by health care insurers based on genetic information; requiring a health care insurer to offer coverage for the treatment of alcoholism or drug abuse; providing continuity of coverage for college students during medically necessary leaves of absence from college; requiring health care insurers in the group market to provide parity in the application of mental health and substance abuse benefits that comply with federal requirements; amending the definition of 'dentist' to include out-of-state dentists for purposes of certain dental insurance requirements; and providing for an effective date."

[4:36:12 PM](#)

JAMES WALDO, Staff, Representative Lindsey Holmes, Alaska State Legislature, explained that this bill will update sections of Alaska's health insurance code to comply with recent changes in federal law. He advised members that if the bill is not passed the state's Division of Insurance will not be able to enforce the law when the new federal law becomes effective.

MR. WALDO explained that the updates include changes that prohibit discrimination against individuals on the basis of genetic testing, requires that insurers continue to cover college students under their parents' health insurance coverage during instances in which the student must take leave from school for medical reasons. Additionally, the federal law requires insurers to provide parity in mental health and substance abuse treatment coverage. Currently, insurers are required to provide coverage, but there are limitations and caps on the coverage. However, under the new federal law the caps are no longer allowed. Thus, insurers are mandated to offer coverage, but are not required to provide it. He related a scenario in which a person breaks a leg or has substance abuse issues. The same coverage would apply to substance abuse treatment as treatment for the broken leg.

[4:38:40 PM](#)

MR. WALDO explained that Section 3 would amend the definition of dentist for insurance purposes so that patients obtaining services from dentists who are licensed in other jurisdictions will be covered. He related that Section 4 requires insurers to

continue to cover college students under their parents' health insurance coverage when the students need to take leave from school for medical reasons.

MR. WALDO addressed enrollment requirements for employees in instances in which the employee opts out of the employer's insurance plan. The first change addresses a person or their dependent who is covered by Medicaid, but who loses eligibility for Medicaid. The employee would then have an option to re-enroll in their employer's health insurance plan. The second change concerns instances in which Medicaid will pay a certain amount of the premium for health insurance. In those instances, this provision would allow a person who becomes eligible for Medicaid assistance for premium coverage to re-enroll in their employer's health insurance plan so that Medicaid can be applied to the insurance premiums.

[4:40:24 PM](#)

MR. WALDO explained that Section 6 prevents a health care insurer from placing restrictions on mental health and substance abuse coverage treatment. He reiterated that the provider must offer the coverage but is not required to provide it. He related that Section 7 provides for an effective date, such that the effective dates coincide with federal provisions. In response to Chair Olson, Mr. Waldo confirmed that a person must be licensed as a dentist prior to working in the state.

[4:42:41 PM](#)

CHAIR OLSON, after first determining no one else wished to testify, closed public testimony on HB 222.

REPRESENTATIVE LYNN moved to report HB 222 out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, HB 222 was reported from the House Labor and Commerce Standing Committee.

[4:44:45 PM](#)

The committee took an at-ease from 4:44 p.m. to 4:45 p.m.

HB 221-MORTGAGE LENDING REGULATION

[4:44:47 PM](#)

CHAIR OLSON announced that the next order of business would be HOUSE BILL NO. 221, "An Act relating to the state's participation in the federal Nationwide Mortgage Licensing System and Registry, and to mortgage lending regulation and licensing; and providing for an effective date."

[4:45:04 PM](#)

TYSON FICK, Legislative Liaison, Office of the Commissioner, Department of Commerce, Community, & Economic Development (DCCED), introduced himself.

[4:45:25 PM](#)

REPRESENTATIVE LYNN made a motion to adopt the committee substitute (CS) for HB 221 labeled 26-LS0856\R, Bannister, 4/9/09.[Version R was before the committee.]

CHAIR OLSON objected for purpose of discussion.

[4:45:47 PM](#)

MR. FICK explained that HB 221 makes a single change to the state's mortgage licensing law. He indicated that two things need to happen in order for Alaska's law to comply with the federal Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (SAFE Act). The SAFE Act requires all states to implement a mortgage law that conforms to its requirements by July 30, 2009, and that all states use a national database for licensing mortgage loan originators. This bill would allow the Department of Commerce, Community, & Economic Development to participate in the National Mortgage Licensing System (NMLS) and use their database, which is the time sensitive element. The fiscal note provides for the one-time fee of \$50,000 to join the NMLS, and \$20,000 for computer system upgrades.

[4:46:36 PM](#)

CHAIR OLSON commented that this bill has been a collaborative effort between his office and Representative Lynn's office. He stated his intention to continue to work on the remaining issue during the interim. He explained that the issue is complex.

[4:47:08 PM](#)

MR. FICK mentioned that the sunset date in the bill sends an odd message to the HUD since the state will join the national database, but will stop using the database in 2012.

[4:48:21 PM](#)

CHAIR OLSON removed his objection. [Version R was before the committee.]

REPRESENTATIVE BUCH made a motion to adopt Conceptual Amendment 1, on page 1, line 14, to change the date from July 1, 2012 to July 1, 2014. There being no objection, Conceptual Amendment 1 was adopted

CHAIR OLSON, after first determining no one else wished to testify, closed public testimony on HB 221.

REPRESENTATIVE COGHILL moved to report the committee substitute (CS) for HB 221, Version 26-LS0856\R, Bannister, 4/9/09, as amended, out of committee with individual recommendations and the accompanying fiscal note. There being no objection, the CSHB 221(L&C) was reported from the House Labor and Commerce Standing Committee.

[4:50:22 PM](#)

The committee took an at-ease from 4:50 p.m. to 4:51 p.m.

CONFIRMATION HEARING(S):

Alaska State Board of Public Accountancy

Alcoholic Beverage Control Board

State Board of Registration for Architects, Engineers, and Land Surveyors

Board of Barbers and Hairdressers

Board of Chiropractic Examiners

Board of Dental Examiners

Alaska Labor Relations Agency

Board of Marine Pilots

Board of Marital and Family Therapy

Board of Certified Direct-Entry Midwives

^Board of Nursing

Occupational Safety and Health Review Board

Board of Examiners in Optometry

Board of Pharmacy

State Physical Therapy and Occupational Therapy Board

Board of Professional Counselors

Board of Psychologist and Psychological Associate Examiners

Board of Certified Real Estate Appraisers  
Real Estate Commission  
Regulatory Commission of Alaska (RCA)  
Board of Social Work Examiners  
Board of Veterinary Examiners  
Workers' Compensation Appeals Commission  
Alaska Workers' Compensation Board

[4:51:57 PM](#)

CHAIR OLSON announced that the final order of business would be the confirmation hearings of the various boards and commissions.

CHAIR OLSON stated that he has not had any requests from members to have anyone appear before the committee.

[4:52:41 PM](#)

REPRESENTATIVE BUCH offered that Mark Crutchfield was appointed to the Workers' Compensation Board. He said Mr. Crutchfield advised that could not longer serve so a substitute board member was found and has been submitted for consideration. He offered his belief that is the only change to the list of appointees.

[4:53:06 PM](#)

REPRESENTATIVE COGHILL stated that many board members provide substantial volunteer services. He commended their service to the boards.

CHAIR OLSON noted his agreement.

REPRESENTATIVE HOLMES indicated that she has read the list of appointees many times. She stated that she has sent e-mails and has solicited information. She offered that while the appointees are not providing testimony today, that a number of committee members have performed due diligence. She wanted to make certain that was clear for the record.

CHAIR OLSON agreed that all committee members have also done so.

[4:54:20 PM](#)

REPRESENTATIVE COGHILL moved to advance the confirmations for appointees referred to the House Labor and Commerce Standing Committee for consideration to the joint session of the House and Senate for consideration. He noted that each member's

signature on the committee's report in no way reflects the member's vote during the joint floor session. There being no objection, the confirmations were advanced.

[4:55:07 PM](#)

**ADJOURNMENT**

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at 4:55 p.m.