

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

April 16, 2009

3:49 p.m.

**MEMBERS PRESENT**

Senator Joe Paskvan, Chair  
Senator Joe Thomas, Vice Chair  
Senator Bettye Davis  
Senator Kevin Meyer  
Senator Con Bunde

**MEMBERS ABSENT**

All members present

**OTHER LEGISLATORS PRESENT**

Representative Ramras  
Representative Coghill

**COMMITTEE CALENDAR**

SENATE BILL NO. 60

"An Act relating to the Uniform Probate Code, including wills, trusts, nonprobate transfers, augmented estates, personal representatives, and trustees; and amending Rules 3 and 8, Alaska Rules of Civil Procedure, Rule 1, Alaska Rules of Probate Procedure, and Rule 37.5, Alaska Rules of Administration."

MOVED CSSB 60(L&C) OUT OF COMMITTEE

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 108(JUD) AM

"An Act relating to real property foreclosures, to the sale of property on execution, and to deeds of trust."

MOVED SCS CSHB 108(L&C) OUT OF COMMITTEE

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 177(L&C)

"An Act relating to marine products and motorized recreational products; and providing for an effective date."

MOVED SCS CSHB 177(L&C) OUT OF COMMITTEE

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 175(L&C)

"An Act relating to insurance, including treating as confidential certain information submitted to the director of insurance by the National Association of Insurance funded multiple employer welfare arrangements; repealing reasons that

the director of insurance may use to deny or revoke a license; and providing for an effective date."

MOVED CSHB 175(L&C) OUT OF COMMITTEE

HOUSE BILL NO. 222(TITLE AM)

"An Act prohibiting discrimination by health care insurers based on genetic information; providing special enrollment requirements related to Medicaid and state child health plan coverage; 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(title am) OUT OF COMMITTEE

#### **PREVIOUS COMMITTEE ACTION**

BILL: SB 60

SHORT TITLE: UNIFORM PROBATE CODE; TRUSTS, WILLS

SPONSOR(S): SENATOR(S) MCGUIRE

01/21/09	(S)	PREFILE RELEASED 1/16/09
01/21/09	(S)	READ THE FIRST TIME - REFERRALS
01/21/09	(S)	L&C, JUD
03/24/09	(S)	L&C AT 1:30 PM BELTZ 211
03/24/09	(S)	Scheduled But Not Heard
03/31/09	(S)	L&C AT 1:00 PM BUTROVICH 205
03/31/09	(S)	Heard & Held
03/31/09	(S)	MINUTE(L&C)
04/16/09	(S)	L&C AT 1:00 PM BELTZ 211

BILL: HB 108

SHORT TITLE: PROP. FORECLOSURE/EXECUTION/TRUST DEEDS

SPONSOR(S): REPRESENTATIVE(S) RAMRAS

02/02/09	(H)	READ THE FIRST TIME - REFERRALS
02/02/09	(H)	L&C, JUD
02/23/09	(H)	L&C AT 3:15 PM BARNES 124
02/23/09	(H)	Heard & Held
02/23/09	(H)	MINUTE(L&C)
03/13/09	(H)	L&C AT 3:15 PM BARNES 124
03/13/09	(H)	-- MEETING CANCELED --
03/16/09	(H)	L&C AT 3:15 PM BARNES 124

03/16/09 (H) Moved CSHB 108(L&C) Out of Committee  
 03/16/09 (H) MINUTE(L&C)  
 03/18/09 (H) L&C RPT CS(L&C) 1DP 5NR  
 03/18/09 (H) DP: CHENAULT  
 03/18/09 (H) NR: BUCH, COGHILL, NEUMAN, HOLMES,  
 OLSON  
 03/25/09 (H) JUD AT 1:00 PM CAPITOL 120  
 03/25/09 (H) Scheduled But Not Heard  
 03/30/09 (H) JUD AT 1:00 PM CAPITOL 120  
 03/30/09 (H) Heard & Held  
 03/30/09 (H) MINUTE(JUD)  
 04/03/09 (H) JUD AT 1:00 PM CAPITOL 120  
 04/03/09 (H) Moved CSHB 108(JUD) Out of Committee  
 04/03/09 (H) MINUTE(JUD)  
 04/07/09 (H) JUD RPT CS(JUD) 2DP 4NR 1AM  
 04/07/09 (H) DP: COGHILL, RAMRAS  
 04/07/09 (H) NR: LYNN, GRUENBERG, DAHLSTROM, GATTO  
 04/07/09 (H) AM: HOLMES  
 04/11/09 (H) TRANSMITTED TO (S)  
 04/11/09 (H) VERSION: CSHB 108(JUD) AM  
 04/13/09 (S) READ THE FIRST TIME - REFERRALS  
 04/13/09 (S) L&C, JUD  
 04/16/09 (S) L&C AT 1:00 PM BELTZ 211

BILL: HB 177

SHORT TITLE: MARINE & MOTORIZED RECREATIONAL PRODUCTS

SPONSOR(s): REPRESENTATIVE(s) COGHILL

03/12/09 (H) READ THE FIRST TIME - REFERRALS  
 03/12/09 (H) L&C  
 03/30/09 (H) L&C AT 3:15 PM BARNES 124  
 03/30/09 (H) Scheduled But Not Heard  
 04/06/09 (H) L&C AT 3:15 PM BARNES 124  
 04/06/09 (H) Moved CSHB 177(L&C) Out of Committee  
 04/06/09 (H) MINUTE(L&C)  
 04/07/09 (H) L&C RPT CS(L&C) 7DP  
 04/07/09 (H) DP: LYNN, BUCH, COGHILL, NEUMAN,  
 HOLMES, CHENAULT, OLSON  
 04/13/09 (H) TRANSMITTED TO (S)  
 04/13/09 (H) VERSION: CSHB 177(L&C)  
 04/14/09 (S) READ THE FIRST TIME - REFERRALS  
 04/14/09 (S) L&C  
 04/16/09 (S) L&C AT 1:00 PM BELTZ 211

BILL: HB 175

SHORT TITLE: INSURANCE

SPONSOR(s): LABOR & COMMERCE

03/09/09 (H) READ THE FIRST TIME - REFERRALS  
 03/09/09 (H) L&C, FIN  
 03/11/09 (H) L&C AT 3:15 PM BARNES 124  
 03/11/09 (H) Heard & Held  
 03/11/09 (H) MINUTE(L&C)  
 03/13/09 (H) L&C AT 3:15 PM BARNES 124  
 03/13/09 (H) -- MEETING CANCELED --  
 03/16/09 (H) L&C AT 3:15 PM BARNES 124  
 03/16/09 (H) Scheduled But Not Heard  
 03/20/09 (H) L&C AT 3:15 PM BARNES 124  
 03/20/09 (H) Heard & Held  
 03/20/09 (H) MINUTE(L&C)  
 03/30/09 (H) L&C AT 3:15 PM BARNES 124  
 03/30/09 (H) Moved CSHB 175(L&C) Out of Committee  
 03/30/09 (H) MINUTE(L&C)  
 04/01/09 (H) L&C RPT CS(L&C) NT 2DP 5NR  
 04/01/09 (H) DP: COGHILL, OLSON  
 04/01/09 (H) NR: LYNN, BUCH, NEUMAN, CHENAULT,  
 HOLMES  
 04/11/09 (H) FIN RPT CS(L&C) NT 5DP 4NR  
 04/11/09 (H) DP: THOMAS, GARA, KELLY, HAWKER,  
 STOLTZE  
 04/11/09 (H) NR: AUSTERMAN, CRAWFORD, FAIRCLOUGH,  
 SALMON  
 04/11/09 (H) FIN AT 9:00 AM HOUSE FINANCE 519  
 04/11/09 (H) Moved CSHB 175(L&C) Out of Committee  
 04/11/09 (H) MINUTE(FIN)  
 04/15/09 (H) TRANSMITTED TO (S)  
 04/15/09 (H) VERSION: CSHB 175(L&C)  
 04/16/09 (S) L&C AT 1:00 PM BELTZ 211

BILL: HB 222

SHORT TITLE: MED. INS. ELIGIBILITY/NONDISCRIMINATION

SPONSOR(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  
 04/10/09 (H) Moved Out of Committee  
 04/10/09 (H) MINUTE(L&C)  
 04/11/09 (H) L&C RPT 4DP  
 04/11/09 (H) FIN REFERRAL ADDED AFTER L&C  
 04/11/09 (H) DP: LYNN, BUCH, HOLMES, OLSON  
 04/14/09 (H) NR: AUSTERMAN, HAWKER, STOLTZE  
 04/14/09 (H) DNP: KELLY

04/14/09 (H) DP: FAIRCLOUGH, CRAWFORD, GARA, SALMON,  
 JOULE  
 04/14/09 (H) FIN RPT 5DP 1DNP 3NR  
 04/14/09 (H) FIN AT 8:30 AM HOUSE FINANCE 519  
 04/14/09 (H) Moved Out of Committee  
 04/14/09 (H) MINUTE(FIN)  
 04/15/09 (H) TRANSMITTED TO (S)  
 04/15/09 (H) VERSION: HB 222(TITLE AM)  
 04/16/09 (S) L&C AT 1:00 PM BELTZ 211

**WITNESS REGISTER**

TREVOR FULTON, staff to Senator McGuire  
 Alaska State Legislature  
 Juneau, AK

**POSITION STATEMENT:** Commented on SB 60 for the sponsor.

DAVID SHAFTEL, Estate Planning Attorney

**POSITION STATEMENT:** Supported SB 60.

DOUG BLATTMACHR, President and CEO  
 Alaska Trust Company

**POSITION STATEMENT:** Supported SB 60.

RICH HOMPESCH, Attorney

**POSITION STATEMENT:** Supported SB 60.

JANE PIERSON, staff to Representative Ramras  
 Alaska State Legislature  
 Juneau, AK

**POSITION STATEMENT:** Commented on HB 108 for the sponsor.

ROBERT SCHMIDT, Attorney representing himself and his law firm

**POSITION STATEMENT:** Supported HB 108.

STEPHEN ROUTH, Attorney representing himself

**POSITION STATEMENT:** Supported HB 108.

RENNIEVA MOSS

Staff to Representative Coghill  
 Alaska State Legislature  
 Juneau, AK

**POSITION STATEMENT:** Explained HB 177 for the sponsor.

KATHY VAN KLEEK

Specialty Vehicle Institute of America

**POSITION STATEMENT:** Opposed HB 177.

DAVID DICKERSON

National Marine Manufacturers

**POSITION STATEMENT:** Needed more time to review the significant changes in HB 177 even though they seem to be good.

KEVIN HITE, President

Alaska State Snowmobile Association

**POSITION STATEMENT:** Supported HB 177.

DUDLEY BENESCH

Alaska Mining and Diving

Alaska Marine Dealers Association

**POSITION STATEMENT:** Supported HB 177.

DAVE MCCORMICK, owner

Back Creek Marine

**POSITION STATEMENT:** Supported HB 177.

CRAIG COMPEAU

Compeau's Inc.

**POSITION STATEMENT:** Supported HB 177.

CONRAD JACKSON

Staff to Representative Olson

Alaska State Legislature

Juneau, AK

**POSITION STATEMENT:** Introduced HB 175 for the sponsor.

LINDA HALL, Director

Division of Insurance

Department of Commerce, Community & Economic Development (DCCED)

**POSITION STATEMENT:** Supported HB 175.

REPRESENTATIVE LINDSEY HOLMES

Alaska State Legislature

Juneau, AK

**POSITION STATEMENT:** Sponsor of HB 222.

JAMES WALDO, staff to Representative Holmes

State Capital

Juneau, AK

**POSITION STATEMENT:** Commented on HB 222 for the sponsor.

#### **ACTION NARRATIVE**

[3:49:11 PM](#)

**CHAIR JOE PASKVAN** called the Senate Labor and Commerce Standing Committee meeting to order at 3:49 p.m. Present at the call to order were Senators Meyer, Thomas, and Paskvan.

[3:49:46 PM](#)

SENATOR BUNDE joined the committee.

**SB 60-UNIFORM PROBATE CODE; TRUSTS, WILLS**

[3:50:30 PM](#)

CHAIR PASKVAN announced SB 60 to be up for consideration. [CSSB 60, labeled 26-LS0320\E, had been adopted on 3/31/09.]

TREVOR FULTON, staff to Senator McGuire, sponsor of SB 60, said he was available to answer questions.

DAVID SHAFTEL, attorney in private practice, said his office works with estate planning and estate and trust administration. For 12 years he has been a member of an informal group of attorneys and trust officers who have worked with the Alaska Legislature on bills in this area. He summarized that SB 60 has a provision to allow the designation of a representative for incapacitated people, it updates and correlates a provision relating to the augmented estate so it is consistent with other provisions relating to self-settled discretionary spend-thrift trusts.

[3:53:00 PM](#)

SENATOR DAVIS joined the committee.

MR. SHAFTEL continued explaining that SB 60 enacts a new provision dealing with the pre-mortem process of establishing capacity of a person who has drafted a trust and where there are issues concerning whether that person had capacity or whether there was duress or undue influence, fraud or similar claims. That person under this bill can file an action in court and have a proceeding to determine that the capacity and the lack of those improper influences so that the will or trust would be upheld as valid. That person can participate in the process while he or she is alive and has the best evidence available concerning capacity and intent rather than waiting for the person to die to go through the process.

[3:55:24 PM](#)

The bill also provides a venue provision for probate of the will of a non-resident who may have property in the state or not. It

also allows a personal representative or trustee to make a designation about discretionary distributions that are coming from capital gains rather than principal, which allows for income tax planning, and that the legislature knows affects every resident in the state.

[3:57:31 PM](#)

SENATOR THOMAS said the court can establish validity of the will and make other findings. Can the court find it invalid, as well?

MR. SHAFTEL replied yes; they could find a lack of capacity or some other event took place and the instrument should not be given legal effect in that case.

CHAIR PASKVAN said his question deals with section 4 and the exclusion from the augmented estate of an irrevocable trust with the settlor designating himself as a discretionary beneficiary. He asked what policy reason there is for excluding that from the augmented estate.

MR. SHAFTEL replied that this trust is created before a marriage. For example if someone creates an irrevocable trust for children from a first marriage, it would be treated the same as if the property were transferred before marriage. The augmented estate is property that the spouses have during marriage; and that is what a spouse can collect against after the death of his spouse rather than what he/she was left in the will. For instance, he could choose to take a third of an augmented estate rather than what was left in the will.

So, this provision says if you create this trust 30 days before marriage, it will be excluded from the estate. It is an irrevocable trust with an independent trustee and while the trustee could make distributions to the person who created it, it is treated as property that was not acquired during a marriage. Eleven other states have excluded it along with Alaska. This is not a manipulative tool to hide assets from your spouse after you are married. It would have had to be created before marriage.

CHAIR PASKVAN asked what prompted the change in policy if a settlor is a beneficiary under the trust they themselves established. He asked if it is includable in the augmented estate currently.

[4:02:54 PM](#)

MR. SHAFTEL replied that it is included, and he said section 2 (page 2) clarifies if it's done prior to marriage it is consistent with what law is today.

CHAIR PASKVAN asked if this change would apply to Alaskans only or could it be used by non-residents to create trusts in Alaska and have that potentially affect an augmented estate analysis in another state.

MR. SHAFTEL replied it applies to probate in Alaska; this provision couldn't apply in any other state.

CHAIR PASKVAN asked if the exclusion from the augmented estate would apply only to Alaska residents.

MR. SHAFTEL replied that would be his understanding.

[4:04:58 PM](#)

CHAIR PASKVAN asked him to clarify the intent of excluding the surviving spouse and child from the augmented estate.

MR. SHAFTEL replied that existing statute requires that in any probate proceeding the surviving spouse and child will receive notice of everything.

CHAIR PASKVAN asked if the irrevocable trust with the settlor as a discretionary beneficiary is includable within the probated estate.

MR. SHAFTEL replied, "No it would not be, if it was done before marriage."

[4:08:47 PM](#)

SENATOR THOMAS remarked that the hearing and notice section on page 11, AS 13.12.565, indicates that the spouse, the children, the heirs of the testator and settlor shall be notified.

[4:09:58 PM](#)

DOUG BLATTMACHR, President and CEO, Alaska Trust Company, supported SB 60.

[4:10:57 PM](#)

RICH HOMPESCH, Fairbanks attorney, supported SB 60.

[4:11:44 PM](#)

CHAIR PASKVAN closed the public hearing.

SENATOR THOMAS moved to report CS SB 60(L&C) from committee with individual recommendations and attached zero fiscal note. There were no objections and it was so ordered.

At ease from 4:12 p.m. to 4P14 p.m.

**CSHB 108(JUD) am-PROP. FORECLOSURE/EXECUTION/TRUST DEEDS**

[4:14:24 PM](#)

CHAIR PASKVAN announced CSHB 108(JUD) am to be up for consideration.

[4:14:51 PM](#)

JANE PIERSON, staff to Representative Ramras, sponsor of HB 108, testified that this bill will clarify, simplify and modernize non-judicial property foreclosures and hopefully reduce litigation. It includes an Internet publication provision that will make it more likely that third-party bidders will be attracted. Third party bidders are desirable because they will drive up auction prices, which can result in funds going back to the borrower at the completion of the auction. The Internet publishing requirements are borrower-friendly and only kick in when there is an unavoidable foreclosure and all other efforts to rescue the loan have failed.

Other changes to the bill make the process more efficient and less litigation-prone. Some of the state foreclosure laws were enacted before fax machines were invented, let alone the Internet. Foreclosures are on the upswing - California, Washington and Oregon are now buried in foreclosures and there has been a rise in Alaska. Modernizing the statutes will help reduce the huge impact that foreclosures can have on the economy. The bill will make property foreclosure auctions more open and accessible, which will benefit borrowers, lenders, title insurers, individuals and even neighbors and neighborhoods. HB 108 was drafted with the knowledge of the best practices of 11 other states.

MS. PIERSON stated that currently banks are averaging a loss of \$20,000 per foreclosure; so hopefully this will add more people into the foreclosure auctions. It will also clarify how foreclosure proceeds will be divided up. It will assure that foreclosure trustees are fiscally responsible by imposing reasonable bond requirements and creating deadlines to deter chilled bidders and unnecessary delays. It allows trustees to nullify sales when mistakes are made that negatively impact the integrity of the sale. It sets up procedures to follow involving

a deceased borrower, creates common sense rules to govern times and methods for posting foreclosure properties; it creates Internet publication procedures and allows acceptance of foreclosure auction bids via e-mail, Internet and telephone - for greater accessibility to auctions.

She pointed out a House floor amendment to get rid of a provision that said that the sale had to happen two days before the auction in order to be cured. She explained that language on page 5, lines 20-23, was inadvertently left in and is now superfluous since the sale can happen up to the time of sale. So it needed to be removed.

SENATOR BUNDE asked if a particular precipitating event inspired this legislation.

MS. PIERSON replied no.

[4:20:10 PM](#)

SENATOR THOMAS pointed out an inaccuracy on page 2, line 3, that says "an inaccuracy in the street address may now be used to set aside a sale if the legal description is correct." It seemed a little unusual that if someone put the wrong street address in, either on purpose or by mistake, that it shouldn't have some impact on the sale.

MS. PIERSON said that language is currently in statute.

[4:21:00 PM](#)

ROBERT SCHMIDT, representing himself and his law firm, said HB 108 was originally written by his colleague and competitor, Stephan Routh, and his associate, Bridget Olstrom, and that his law firm ran a distant second in terms of volume of foreclosures handled at 100 per year. He supported HB 108. It significantly modernizes Alaska foreclosure laws. Among the items already mentioned, it adds a five-day do-over period where the trustee under a deed of trust may elect to undo the foreclosure sale and return ownership of the property to the borrower, a great protection to borrowers.

MR. SCHMIDT explained how he had grappled with Mr. Routh over the necessity and extent of Internet publication, but he supports the current version of HB 108, which codifies the current practice of a newspaper running a print ad and simultaneously running an Internet ad.

SENATOR BUNDE said with the increasing demise of newspapers, Mr. Schmidt leans heavily toward them for advertising, but he wanted to know if he had other suggestions.

MR. SCHMIDT agreed that newspapers are falling on hard times. His concerns with the Internet publication provisions as previously written were that the Internet website would have to have 5,000 unique visitors per month and would have to have senior management located in the state; it would also have to have been used primarily to advertise real property foreclosures. Under that definition only one website would qualify and that is owned by Mr. Routh. His firm has a website, too, but it advertises things other than foreclosures.

He explained that at one point the Internet publications provisions were pulled and language saying if you buy a print ad and it simultaneously runs an Internet ad was inserted. He is skeptical that an Internet site should be required to get 5,000 unique visitors a month. In his opinion about 1 percent of the Alaskan population is interested in buying foreclosure property; he wonders whether the website would have to be just a foreclosure website and whether or not it would have to be located in Alaska. He concluded saying that the current language is acceptable to him.

[4:26:40 PM](#)

CHAIR PASKVAN asked if he was aware of any opposition.

MR. SCHMIDT replied the original provisions for Internet advertisement were of concern to several people within the foreclosure related industry, and they have been appropriately addressed. But he might change the 5,000 hits per month to a more appropriate number, because it lacks connection to the reality of foreclosure sales in Alaska where perhaps a dozen people know and follow them.

SENATOR BUNDE said Alaska has prohibitions against special interest legislation, and asked if that one firm is an issue.

MS. PIERSON replied yes; they have worked to make this language more open.

SENATOR BUNDE asked why choose 5,000 hits?

MS. PIERSON replied that they picked that number because it is not a lot of hits for an Internet website. It was a number so that someone couldn't say they had met the provision by

publishing on some secure website somewhere. The sponsor would have no problem with changing the number.

[4:30:32 PM](#)

STEPHEN ROUTH, representing himself, said he has been an attorney in Anchorage for over 27 years and supported HB 108. His primary focus is representing mortgage banks. He said this bill was drafted in response to problems other states have, as well as Alaska, with selling foreclosures. Certain laws hadn't been updated and were causing litigation and problems for borrowers, banks and title companies. It should have been done long ago. Many letters of support are in their packets - without qualification.

He explained that current state law mandates that foreclosures are posted in a post office, which made sense 60 years ago when people went to the post office to get news, but today it doesn't. Also it's against federal law to publish estate notices in a post office; federal employees tear them down. It does other things like change the three-month period to 90 days because it the number of days varies depending on which months you are going through.

Things in the past have caused tremendous amounts of grief for borrowers and their families, title companies and financial institutions - things like what happens if the borrower is deceased. Current law doesn't provide any guidance whatsoever on foreclosures for deceased persons. HB 108 cleans that up as well.

MR. ROUTH said they looked at ways to reduce foreclosure litigation -how to give notice, how to post a property, what to do if you can't get to the property because there is no house there, and little things like that. On the Internet piece he said that 5,000 hits a month in Internet-speak is literally nothing. The last time he looked, the Anchorage Daily News (ADN) was getting over 80,000 hits a day. He thought Mr. Smith's website would qualify if he actually would count the number of hits he has.

[4:35:31 PM](#)

He stated that things are often going wrong by the time you get to a foreclosure, and if there is equity in the house, the borrower should get it. Foreclosures need transparency; people can investigate it and help the neighborhood increase in value. If that process is hidden from everyone but the elite few, the light of transparency is not shining on it.

[4:38:08 PM](#)

CHAIR PASKVAN closed public testimony.

[4:38:18 PM](#)

SENATOR THOMAS moved conceptual Amendment 1 to delete language on page 5, lines 20-23. There were no objections and it was so ordered.

SENATOR BUNDE said he thinks Internet advertising is a wise idea and expands opportunity to share information, but he was concerned about only one firm being able to provide the service because of the 5,000 hit qualification. So, he asked if there was interest in adopting another conceptual amendment to insert language on page 3, line 12(E), to indicate that advertising on the Internet where at least one of the websites has 5,000 hits.

CHAIR PASKVAN recalled that he read that the ADN doesn't qualify because it is not an Internet site exclusively devoted to real estate sales.

MS. PIERSON said that was one of the changes they worked very hard to get.

SENATOR THOMAS said he didn't read that language to be exclusive.

SENATOR BUNDE said this is talking about one website and he wanted it to apply to websites plural at least one of which would have 5,000 hits per month.

MS. PIERSON remarked that language in (A)-(F) on page 3, also describes the qualifications for a website.

[4:44:12 PM](#)

SENATOR MEYER moved to report SCS CSHB 108(L&C) from committee with individual recommendations and attached fiscal note(s). There were no objections and it was so ordered.

At ease from 4:44 p.m. to 4:47 p.m.

**CSHB 177(L&C)-MARINE & MOTORIZED RECREATIONAL PRODUCTS**

[4:47:16 PM](#)

CHAIR PASKVAN announced CSHB 177(L&C) to be up for consideration.

SENATOR THOMAS moved to adopt SCS CSHB 177, labeled 26-LS0477\M, for purposes of discussion. There were no objections and it was so ordered.

RENNIEVA MOSS, staff to Representative Coghill, sponsor of HB 177, said this is a consumer protection bill. The adopted CS added language that was suggested by Attorney General Ed Sniffen that mirrored motor vehicle lemon laws by adding venue and jurisdiction language to the statutes.

4:49:33 PM

MS. MOSS said she wanted to review the bill for them and that she had a couple of amendments for their consideration. The first section clarifies in the motor vehicle section that recreation vehicles, ATVs, and snow machines will be dealt with in a new chapter, which is AS 45.27, known as the Marine Products and Motorized Recreational Vehicle Recreational Products. First it says that a manufacturer can't unreasonably withhold consent of sale or transfer if the transferee meets the criteria and agrees to be bound by all the agreements in the dealership agreement. It also says that a manufacturer cannot cancel or fail to renew an agreement unless they have shown good cause and satisfy notice requirements. It then goes on to say that notice requirements would be 60 days for material provisions of an agreement, but in cases of fraud or insolvency, that would result in cancelation of the contract with only to be a 15-day notice.

It also says that a manufacturer cannot decline to renew a dealership because of the death or incapacity of an owner, specifically if the dealership was not granted solely on the qualification of the owner. It defines "good cause" and repeats in more specifics how the manufacturer would have to furnish notification of cancelation or non-renewal. The notice has to be in writing by certified mail. New provisions say that a manufacturer cannot coerce or attempt to coerce a dealer into dealership agreements to perform unfair acts - one would be requiring a dealer to overstock.

It defines a manufacturer's representative as an employee or an agent of the manufacturer and goes into cancelation and repurchasing by saying if a manufacturer cancels or fails to renew a dealer agreement without good cause, that dealer would be obligated to purchase back the new product that is the current model year and the previous year and that includes product parts that have been listed in the manufacturer's parts book for two years. The exceptions are if the parts or products

have been substantially damaged or altered and the repurchase price would be based on the dealers landed costs.

The product warrantee section is where the manufacturer promises to provide parts in a reasonable timeframe for warrantee work, makes an obligation to pay the authorized dealer specific rates for warrantee work, and then it makes some requirements on the dealer not to misrepresent the warrantee and to agree to do the warrantee work for the manufacturer. Language on page 6, line 21, sets out the basis for reimbursement and three ways for it to occur.

[4:54:01 PM](#)

Line 24 is where she wanted the committee to consider an amendment that sets out that the manufacturers shall pay the highest rate of either what the dealer would customarily charge in a non-warranty service or the manufacturer's printed flat rate or in the future a flat-rate manual that has been produced for the industry. She asked them to consider that this would be the case if the authorized dealer has certified technicians performing the warranty work. This is already common practice.

Another area for them to consider is whether language on page 7, lines 2-7, is the proper wording. If subsection 2 is already considered warrantee work, do they have to be specific in listing those services and reimbursement for doing paperwork for warrantee work? Now it has a minimum of one hour for the authorized dealer shop standard labor rate, which is the mechanics rate, not necessarily the rate of someone doing paperwork.

Next, she said, timelines were set out for how claims should be submitted and how manufacturers could address them. The manufacturer would have 30 days to deny the claim and give written notice as to why they have denied the claim or to pay it. If neither happens it is assumed the claim has been accepted and they will be charged interest until it is paid.

[4:55:59 PM](#)

MS. MOSS said language at the bottom of page 7 starts the "lemon law." If the dealer and the manufacturer have made reasonable attempts to correct non-conformity of a product unsuccessfully, then the purchaser of that product would submit in writing what the non-conformity is and then request that it be repurchased or replaced. The manufacturer on a repurchase would refund a reasonable amount of money with considerations for deductions for straight line depreciation and damages to the product that

would reduce the value of the product. It also says if there is a lien holder, then he would also be taken care of in the repurchase.

[4:56:59 PM](#)

MS. MOSS said the exceptions to a repurchase are fairly obvious. If the manufacturer or dealer can prove that it's not a nonconformity, that it's something that the purchaser did to the vehicle themselves, for instance, by letting it run out of oil or if they let someone do something to the product that caused the non-conformity.

The lemon law states specifically that if there is a non-conformity to that product and the dealer has attempted to repair it three or more times or if the product is out of service for repair for a total of 30 or more days, then the purchaser of the product can request that it be refunded or replaced.

Article 3 is the consumer protection section. It requires certain posting of labor rates including for non-warranty work and certification of technicians. It also requires a shop to notice whether employees are paid on commission and when a person brings a vehicle or product in for repair to furnish him a written estimate of costs of repair including parts and labor. For additional work, they have to contact the customer for permission.

Content of factory recalls is a notice to the dealer and the consumer letting them know that there is a recall on a certain part and when they can expect that part to be supplied to the dealer for repairs. It goes into not allowing a manufacturer to resale a product that they have repurchased because of a non-conformity unless they provide full disclosure of it to the new purchaser.

[4:59:44 PM](#)

Miscellaneous provisions say that other laws and other civil procedures on the books still apply; it's applicable to a dealer and a manufacturer in an agreement. The jurisdiction is the State of Alaska. The venue is the judicial district closest to the dealer that sold the product. HB 108 doesn't allow a manufacturer to use an affiliate partnership or subsidiary corporation to avoid this law. It says that any part of a dealer agreement that violates these sections of law would not apply.

[5:00:27 PM](#)

SENATOR BUNDE asked if a provision in the dealership agreement section on page 11, line 30, violates this chapter because it is a way to get out of the consumer protection.

MS. MOSS answered with an example - if somebody doesn't read a lengthy contract, a provision says a company has the absolute right and its sole discretion to terminate the agreement on 10-days written notice. That provision won't apply here, but violation of this statute says 15 days notice can be given with cause and 60 days without cause.

MS. MOSS said on page 12, line 25, the definition of "marine product" is changed in the CS to include gasoline motors designed for recreation or commercial use on water. Some members raised concerns that they were interfering in commercial contracts between fishermen and manufacturers. Diesel engines for fishermen are bought directly from manufacturers and have a separate warrantee provision. Fishermen and dealers have told her that adding gasoline motors would cover about 99.3 percent of who they are trying to cover under this statute.

[5:02:28 PM](#)

An applicability section on page 15 says this new statute applies to dealership agreements that are signed after this bill is enacted, and it has an immediate effective date.

CHAIR PASKVAN asked if it applies to renewals of dealership agreements.

MS. MOSS replied yes - cancellation as well as renewal.

CHAIR PASKVAN asked the industry standard for term of renewal for any of the typical dealers in Alaska.

MS. MOSS said she didn't know, but some dealers would.

[5:03:24 PM](#)

KATHY VAN KLEEK, Specialty Vehicle Institute of America, opposed HB 177. She said it would raise the cost of doing business and ultimately increase the cost of recreational products to Alaskans. They don't oppose reasonable franchise legislation and don't oppose many of the bill's provisions. However, there are a few very problematic provisions. One is the requirement that the manufacturer reimburse the dealer for warranty service at the dealer's retail rate. Some manufacturers do have cured reimbursement systems depending on levels of factory training that a technician has completed. This encourages dealers to

employ the most highly qualified technicians, which significantly benefits consumers. Requiring the same reimbursement for all only punishes those dealers who spend considerable time and money to have and retain the most qualified technicians.

She said they would support an amendment requiring an additional hour's reimbursement for administration.

Another problematic provision is the lemon law requirement; the language lacks in specificity and off road vehicles and ATVs should not be included. Lemon laws were written to address concerns with the automobile industry, and almost exclusively every state law applies only to motor laws operated on highways. The ATV has a number of unique factors and inherent differences from cars that don't make sense with lemon laws. Off highway vehicles are not included in the National Conference of State Legislature's Model Lemon Law either. Use patterns are very different from those of cars.

MS. VAN KLEEK explained that ATVs are used for recreational and utilitarian purposes, and are many times subject to modification and extreme use and abuse. Many are used for competition purposes, and it's seems no more appropriate to cover these products under a lemon law designed for cars than it does to cover other products such as household appliances, all of which are covered under the Uniform Commercial Code that offers protection to buyers of defective products.

ATV manufacturers view warrantee repair policies as investment in good consumer relations and future repeat sales. If customers are dissatisfied, they simply won't buy another ATV of that make. If this provision were enacted, good will repairs, which are not uncommon for manufacturers to authorize, would end since they would be included in the number of repairs allowed before the lemon law provisions would kick in. Also ATV use is seasonal and customers may leave their ATVs for service at dealerships for extended periods of time.

[5:08:10 PM](#)

But if the law requires replacement or refund if the ATV has been out of service for 30 days, that practice would end, as well. This is more of a customer convenience, but the manufacturer's exposure would overshadow the owner's convenience and the dealer's efficiency. They don't believe that the small incidence of problems in this area and the fact that ATV manufacturers are currently acting in a responsible manner to

achieve customer satisfaction justify the downsides that would be brought about with the passage of a lemon law.

5:08:28 PM

Finally, Ms. Van Fleek said, some terminology in HB 177 would lead to confusion and conflict. The bill includes ATVs in the definition of "recreational vehicles," but recreational vehicle is defined elsewhere in Alaska statute to mean motor home type vehicles and they are subject to numerous other types of laws. So, she suggested removing that language. She urged that the bill be amended to reflect these needed changes and to give it a more thoughtful review.

5:09:29 PM

DAVID DICKERSON, National Marine Manufacturers, said they represent the recreational boat and engine manufacturers. He said he needs more time to review the significant changes in HB 177 even though they seem to be good.

He cautioned that the bill seems to be based on the assumption that dealers are powerless against boat engine manufacturers. That's not true in Alaska where there are few marine dealers. A cancelation by a dealer can push a boat brand completely out of a market here, because he doesn't have anywhere else to go unlike in a lot of places with competition. The premise that dealers need the protection from cancelation is turned on its head in a state like Alaska.

Secondly, the lemon law doesn't differentiate very well for boats that are an assembly of components with different warrantees quite unlike other products under consideration. The definition of "part" is also an "accessory" and makes it difficult to determine who should provide those parts if one should fail.

As far as the repurchase of a vessel, should there be a cancelation or non-renewal, it doesn't discuss at all that the boat should have no changes to it, no additional equipment or other accessories that may make it substantially different than the boat that was shipped up to the dealer. In addition to some of these things, the idea of the parts needed for warrantee repair is somewhat unclear. It says that the dealer should be reimbursed at full retail for parts used in warrantee repair, but if that part is being sent to the dealer for a specific repair on a specific unit, why should that dealer be reimbursed at full retain rate for a product that is dropped at his door?

It's hard to figure out the benefit in having these types of mandates on private business.

He understands that not every unit coming off of every assembly line is absolutely perfect and that's why warranties exist; that is why manufacturers try hard to see that those working on them have the proper level of training.

5:14:27 PM

MR. DICKERSON said the marine industry uses training as a way to attain 110 percent of the retail rate as an incentive to have that proper training. Mandating that they cannot use that as incentive puts dealers into a double bind. On one hand they have to be sure that repairs are done right and don't exceed three times of effort on the same problem, but on the other hand, they are not put in the position of being able to require that those techs, whether they are certified or not, have a continuing level of education. It will require them to rethink how techs are certified or how an authorized repair facility designation is provided to a dealership. No longer will that be an incentive to have the type of training that consumers and manufacturers expect.

MR. DICKERSON echoed the concern regarding the additional hour of payment for each warrantee repair claim. Since much of the work is done by a lesser paid individual at most dealerships, the idea of \$110 for each warrantee claim for administrative expenses seems excessive. He reiterated the request that they delay action to give involved parties the opportunity to work on the issue.

SENATOR THOMAS asked when he first became aware of this bill.

MR. DICKERSON replied he became aware of HB 303 in January 2008. The bills have significant differences.

SENATOR BUNDE said one-hour of mechanic's time is too much.

MS. MOSS said she was hoping to get feedback from the dealers on a reasonable amendment.

5:18:20 PM

KEVIN HITE, President, Alaska State Snowmobile Association, supported HB 177. He stated that several levels of consumer protection are in place for vehicles in Alaska that are currently titled under DMV regulations, and HB 177 would provide some of the non-road titled vehicles a good measure of the same

protections. Automotive dealers do such a good job of repairing vehicles because their consumer protection level for them insure that they get reimbursed at a rate equal or greater than repair work. Automotive dealers are not losing money on repair work regardless of where the original sale of the truck was.

He said that snow machines, primarily, don't enjoy the same level of support in the warranty arena from the OEM dealer system. Losing money on a current customer is one thing; losing money on someone else's customer is not incentive for either one. If a customer is outside the road system, that could mean an expensive shipping bill to return the machine to the original dealer. He explained that there have been issues with models still used in Alaska that the OEMs have not fixed and this has been ignored in large part due to the fact that the market here is small.

The fact that snow mobiles are the main mode of transportation for much of Alaska makes those same issues huge in the overall picture. Dealers here are aware of manufacturing problems and many times don't have a whole lot of support from the OEMs who focus more on models that sell a whole lot more in the Lower 48. Holding OEMs responsible for liability on vehicles that are critical to our way of life regardless of geographic location will result in a lot better operating and designed vehicles for Alaska. This legislation will provide protections for consumers and local businesses as well.

SENATOR BUNDE said the one-hour reimbursement of a mechanic's time for paperwork seems excessive. Would he have a suggestion?

MR. HITE answered that those decisions are primarily driven by the work load that comes in. Some warranty work is extremely simple; some will be quite involved. The administrative effort to get the warranty work correct may dictate different levels of that. He would rely on the dealers for the information to verify what actually went in to some warranty work. He couldn't make a different recommendation.

[5:23:35 PM](#)

DUDLEY BENESCH, Alaska Mining and Diving, Alaska Marine Dealers Association, supported HB 177. He said their association is comprised of 28 member businesses and dealers throughout Alaska, and have been working hard on the issues addressed in this bill for a lot of years.

They researched a study of what other states had done and HB 177 has been crafted to address many of special needs of the Alaskan consumers and the market up here; it has very broad support. Elsewhere a snow machine might be a toy, but in Alaska these products are the primary mode of transportation or the means to earn a living, especially in the rural areas. Safety and dependability are key issues for their customers.

In 2008 as a dealer, Mr. Benesch said, he invested over \$37,000 in sending technicians to specialized schools to keep them certified and current on the changing technology and sending his management folks to mandatory dealer meetings in the Lower 48. In addition, his dealership spends many thousands of dollars each year purchasing new software, hardware and special tools needs to fix everything they sell and to do a good job at repairs. These are significant investments that they do willingly to insure that customers get good help. What has become more difficult is that more and more products have warranty and significant defects and those costs are being shifted on to the dealerships. The products seem to not be tested properly and are maybe rushed to market to try and get the edge on the competition. In essence HB 177(SB 173) will hold those who create a problem more accountable for the real costs to fix the problem.

MR. BENESCH said that his dealership has one full-time employee whose whole job is just to handle the paperwork and details that are required for a warranty claim to get paid to a dealership. Warranty administration has become very complex.

[5:28:54 PM](#)

CHAIR PASKVAN asked if one hour is reasonable for administrative costs.

MR. BENESCH answered the problem is that some jobs are more complex than others. So they looked at a sampling and tried to come up with an average. Without any doubt whatsoever, one hour is realistic for administrative costs.

SENATOR BUNDE asked how much one hour would cost.

MR. BENESCH replied \$110. Others charge from \$80-\$120.

[5:31:13 PM](#)

DAVE MCCORMICK, owner, Back Creek Marine, said that people in Bethel depend on these recreation vehicles and supported HB 177. They are used for rescue, getting wood, catching food and are

the main means of transportation. People spend the better part of a year's family's income to buy one vehicle. Kuskokwim/Yukon Delta consumers rely on his shop to repair their defects and keep them going after they are off warranty. Normally they can't afford to fix them after the warranties are over. However, he is losing so much money and may be going bankrupt because he is covering expenses that the manufacturers should be covering for warranty work that he does. It's vital to pass this bill for his people's sake.

[5:36:26 PM](#)

CRAIG COMPEAU, Compeau's Inc., supported HB 177. He said that he feels one hour reimbursement is conservative for administrative costs in a real world basis. It is for things like greeting the customer, writing up the service order, transporting the vehicles in and out of the shop, ordering parts, filing the claim, contacting customer service, returning parts, tracking the parts and tracking the reimbursement. He figures it is actually closer to 1.3 hours. People don't realize that retail service work gets bumped when they are having to work on factory defects at a subsidized rate. "It's not fair."

[5:38:31 PM](#)

CHAIR PASKVAN closed public testimony.

SENATOR BUNDE moved to adopt Amendment 1 labeled 26-LS0477\M.2.

26-LS0477\M.2  
Bannister

#### AMENDMENT 1

OFFERED IN THE SENATE

TO: SCS CSHB 177( ), Draft Version "M"

Page 6, line 24:

Delete "A"

Insert "If the technician performing the warranty service work meets the certification standards in the dealership agreement, a"

SENATOR MEYER objected for discussion purposes.

MS. MOSS explained that it addresses one of the manufacturer's concerns on page 6, line 24, that if they're going pay full retail non-warranty rates for warranty work, that the work is

done by certified technicians. This inserts "if the technician performing the warrantee service work meets the certification standards in the dealership agreement, a manufacturer shall pay" and then goes to the pay scale.

SENATOR MEYER removed his objection and Amendment 1 was adopted.

[5:40:18 PM](#)

SENATOR BUNDE moved to adopt Amendment 2, 26-LS0477\M.3.

26-LS0477\M.3

Bannister

### AMENDMENT 2

OFFERED IN THE SENATE

TO: SCS CSHB 177( ), Draft Version "M"

Page 7, line 8, following "parts":

Insert "in the authorized dealer's inventory"

Page 7, lines 9 - 10:

Delete "and shall ship each part to the authorized dealer without cost for freight or handling"

SENATOR MEYER objected for an explanation.

MS. MOSS explained that this amendment is on page 7, line 8, and clarifies something Mr. Dickerson addressed. It clarifies that when a manufacturer pays a dealer retail for a part, it is for a part that the dealer has on his shelf in his inventory. The second part deletes lines 9-10 because it's a duplication in wording that is already discussed on page 5.

[5:41:49 PM](#)

SENATOR MEYER removed his objection and Amendment 2 was adopted.

[5:42:01 PM](#)

MS. MOSS said the purpose of language on page 1 is to distinguish between a recreational vehicle that could be a motor home, an all-terrain vehicle, or a snow machine, and these would be regulated under the new Chapter 27. She stated that these vehicles are often the only means of transportation for many Alaskans and should be covered by a lemon law.

SENATOR BUNDE asked on page 3, lines 15-16, about allowing immediate cancelation upon bankruptcy or felony conviction.

MS. MOSS answered that her only concern is that bankruptcy requires court proceedings, and she wasn't sure what effect that would have. She didn't think the sponsor would have a problem with reducing that notification period.

CHAIR PASKVAN commented that 15 days is a relatively short time in the scheme of things.

SENATOR BUNDE said he was wondering about "things wandering out the back door."

[5:45:10 PM](#)

SENATOR THOMAS moved to report SCS CSHB 177(L&C), version M as amended, from committee with individual recommendations and attached fiscal note(s).

SENATOR BUNDE commented that he was concerned that adopting this bill might discourage manufacturers from selling ATVs up here because Alaska is a relatively small market. Testimony has indicated that they are designed for occasional use about three months a year and Alaskans use them every day for six months a year.

SENATOR MEYER objected for discussion.

SENATOR THOMAS noted a zero fiscal note.

SENATOR MEYER removed his objection and SCS CSHB 177(L&C) moved from committee.

At ease from 5:48 p.m. to 5:50 p.m.

### **CSHB 175(L&C)-INSURANCE**

[5:50:16 PM](#)

CHAIR PASKVAN announced HB 175 to be up for consideration. [CSHB 175(L&C) was before the committee.]

CONRAD JACKSON, staff to Representative Olson, sponsor of HB 175, introduced Ms. Hall for the explanation.

[5:51:34 PM](#)

LINDA HALL, Director, Division of Insurance, Department of Commerce, Community & Economic Development (DCCED), said she

considers a number of things in the bill "clean up;" several are streamlining processes about issuing licenses to out of state adjusters, providing third-party administrators be responsible for their employees, and accepting another regulator's non-resident felony evaluations. Other things clarify deposits of domestic and other states' insurers and allow a little more flexibility for the regulatory with domestic insured deposits. "Working day" is defined uniformly now throughout the title.

Three sections are uniformity provisions that allow ratio analysis in examinations submitted to the director from the National Regulatory Association to be held confidential; currently just the financial material is held. They have updated products that can be sold for a limited lines travel license.

MS. HALL remarked that she just received notification that Alaska is in compliance with all of the National Association of Insurance Commissioners (NAIC) uniformity standards.

Two new issues are policy calls in sections 11 and 17. Section 11 of this bill permits a director to order a summary suspension of a producer license if there is a finding that the protection of the public requires emergency action. This past year she had two instances of the worst agent behavior she had ever seen in Alaska. A licensee was taking money from his clients and using it and not purchasing insurance. Her investigation found 72 victims who were left with virtually no financial protection should they have a loss. They have filed criminal charges that have 32 felony counts. This is behavior that if they could not do a summary suspension this individual could have gone on taking money as long as he had asked for a hearing and that order was stayed. The bill has enough protections to prevent summary suspensions from being abused. The reasons for doing it are subject to the same reasons in statute for denial or revocation of a license today; so it doesn't broaden anything, but it stops behavior that harms the public.

[5:55:39 PM](#)

Section 17 allows a health insurance plan to reward a wellness program without making it considered as a rebate program or discrimination. Its requirements would meet Health Insurance Portability and Accountability Act (HIPAA) standards and other non discriminatory requirements.

The bill defines eligibility for a high risk pool in the same way as the Permanent Fund Dividend does today, a uniformity issue. Also, the hospital and medical service corporations make

guaranteed renewability of individual health plans mandatory; today it is done for group plans; they also make guaranteed renewability applicable to individual health plans.

[5:56:55 PM](#)

CHAIR PASKVAN said the summary suspension for egregious conduct makes a lot of sense, as do the rewards for wellness. He then closed public testimony.

[5:57:38 PM](#)

SENATOR MEYER moved to report CSHB 175(L&C) from committee with individual recommendations and attached fiscal note(s). There were no objections and it was so ordered.

At ease from 5:58 p.m. to 5:59 p.m.

**HB 222(title am)-MED. INS. ELIGIBILITY/NONDISCRIMINATION**

[5:59:38 PM](#)

CHAIR PASKVAN announced HB 222(title am) to be up for consideration.

[5:59:52 PM](#)

REPRESENTATIVE LINDSEY HOLMES, sponsor of HB 222, said this bill will allow the Division of Insurance to implement new federal regulations, which she thinks are quite good ones. She turned the explanation over to James Waldo, her staff person.

JAMES WALDO, staff to Representative Holmes, explained that HB 222 conformed state law to federal regulation changes. It prevents discrimination against individuals based on genetic testing. Another section requires insurance companies to continue covering college students for up to one year if they have to take a medically necessary leave of absence; it prevents them from getting caught in a catch-22. It provides parity in mental health and substance abuse treatment by requiring there be no additional restrictions on mental health or substance abuse treatment other than what are placed on general medical surgical treatment in an insurance plan. It also removes a mandate that an insurance company provide substance abuse treatment and just mandates that they offer substance abuse treatment so that people aren't required to take it if it's not what they want.

MR. WALDO said it has two changes to enrollment requirements for employees that are related to Medicaid or Denali Kid Care. Essentially if an employee of a company with an employer plan

opts out of that plan, but is on Medicaid or Denali Kid Care and loses eligibility for Medicaid or Denali Kid Care, it allows them 60 days to apply for their employer's health plan. The next change is if they are not currently covered by the employer's health care plan, but they become available for assistance under Medicaid or Denali Kid Care, it will allow them to enroll in that employer plan with that assistance they just became eligible for. Finally, he said, it updates the definition of "dentist" for insurance purposes so that it applies to dentists licensed outside of Alaska as well as inside.

[6:03:28 PM](#)

SENATOR MEYER asked what change was made on the House floor.

MR. WALDO replied that the title was amended because some language was inadvertently left out.

[6:04:36 PM](#)

CHAIR PASKVAN closed public testimony.

[6:04:45 PM](#)

SENATOR DAVIS moved to report HB 222(title am) from committee with individual recommendations and attached fiscal note(s). There were no objections and it was so ordered.

[6:06:53 PM](#)

CHAIR PASKVAN thanked everyone for their work on the committee and adjourned the meeting at 6:06 p.m.