

ALASKA STATE LEGISLATURE
HOUSE JUDICIARY STANDING COMMITTEE

April 13, 2011

1:17 p.m.

MEMBERS PRESENT

Representative Carl Gatto, Chair
Representative Steve Thompson, Vice Chair
Representative Wes Keller
Representative Bob Lynn
Representative Lance Pruitt
Representative Max Gruenberg
Representative Lindsey Holmes

MEMBERS ABSENT

Representative Mike Chenault (alternate)

COMMITTEE CALENDAR

HOUSE BILL NO. 224

"An Act relating to the prohibition of selling or giving tobacco or a product containing nicotine to a minor unless prescribed by a licensed physician."

- MOVED CSHB 224(JUD) OUT OF COMMITTEE

COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 15(JUD)

"An Act relating to penalties for certain alcohol offenses involving persons under 21 years of age committed by certain sex offenders or child kidnappers."

- HEARD & HELD

COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 78(JUD)

"An Act relating to liability of certain limited liability organizations holding liquor licenses; and relating to accidents involving the vehicle of a person under the influence of alcoholic beverages."

- MOVED CSSB 78(JUD) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HB 224

SHORT TITLE: SALES OF NICOTINE PRODUCTS TO MINOR

SPONSOR(S): REPRESENTATIVE(S) SEATON

04/04/11 (H) READ THE FIRST TIME - REFERRALS
04/04/11 (H) JUD, FIN
04/11/11 (H) JUD AT 1:00 PM CAPITOL 120
04/11/11 (H) Scheduled But Not Heard
04/13/11 (H) JUD AT 1:00 PM CAPITOL 120

BILL: SB 15

SHORT TITLE: SEX OFFENDER/UNDERAGE ALCOHOL OFFENSE

SPONSOR(S): SENATOR(S) MEYER

01/19/11 (S) PREFILE RELEASED 1/7/11
01/19/11 (S) READ THE FIRST TIME - REFERRALS
01/19/11 (S) HSS, JUD
03/16/11 (S) HSS AT 1:30 PM BELTZ 105 (TSBldg)
03/16/11 (S) Moved CSSB 15(HSS) Out of Committee
03/16/11 (S) MINUTE(HSS)
03/18/11 (S) HSS RPT CS 4DP SAME TITLE
03/18/11 (S) DP: DAVIS, MEYER, EGAN, DYSON
03/18/11 (S) FIN REFERRAL ADDED AFTER JUD
03/28/11 (S) JUD AT 1:30 PM BELTZ 105 (TSBldg)
03/28/11 (S) Heard & Held
03/28/11 (S) MINUTE(JUD)
03/30/11 (S) JUD AT 1:30 PM BELTZ 105 (TSBldg)
03/30/11 (S) Moved CSSB 15(JUD) Out of Committee
03/30/11 (S) MINUTE(JUD)
04/01/11 (S) JUD RPT CS 4DP NEW TITLE
04/01/11 (S) DP: FRENCH, COGHILL, WIELECHOWSKI,
PASKVAN
04/06/11 (S) FIN AT 9:00 AM SENATE FINANCE 532
04/06/11 (S) Heard & Held
04/06/11 (S) MINUTE(FIN)
04/08/11 (S) FIN AT 9:00 AM SENATE FINANCE 532
04/08/11 (S) Moved CSSB 15(JUD) Out of Committee
04/08/11 (S) MINUTE(FIN)
04/08/11 (S) FIN RPT CS(JUD) 3DP 2NR
04/08/11 (S) DP: HOFFMAN, EGAN, ELLIS
04/08/11 (S) NR: STEDMAN, OLSON
04/08/11 (S) TRANSMITTED TO (H)
04/08/11 (S) VERSION: CSSB 15(JUD)
04/09/11 (H) READ THE FIRST TIME - REFERRALS
04/09/11 (H) JUD, FIN
04/13/11 (H) JUD AT 1:00 PM CAPITOL 120

BILL: SB 78

SHORT TITLE: LIABILITY RELATED TO ALCOHOL

SPONSOR(S): SENATOR(S) MCGUIRE BY REQUEST

02/04/11 (S) READ THE FIRST TIME - REFERRALS
02/04/11 (S) L&C, JUD
03/22/11 (S) L&C AT 2:00 PM BELTZ 105 (TSBldg)
03/22/11 (S) Heard & Held
03/22/11 (S) MINUTE(L&C)
03/29/11 (S) L&C AT 2:00 PM BELTZ 105 (TSBldg)
03/29/11 (S) Moved SB 78 Out of Committee
03/29/11 (S) MINUTE(L&C)
03/30/11 (S) L&C RPT 5DP
03/30/11 (S) DP: EGAN, GIESSEL, DAVIS, PASKVAN,
MENARD
04/01/11 (S) JUD AT 1:30 PM BELTZ 105 (TSBldg)
04/01/11 (S) Heard & Held
04/01/11 (S) MINUTE(JUD)
04/04/11 (S) JUD AT 1:30 PM BELTZ 105 (TSBldg)
04/04/11 (S) Moved CSSB 78(JUD) Out of Committee
04/04/11 (S) MINUTE(JUD)
04/06/11 (S) JUD RPT CS 4DP 1NR NEW TITLE
04/06/11 (S) DP: FRENCH, WIELECHOWSKI, PASKVAN,
MCGUIRE
04/06/11 (S) NR: COGHILL
04/08/11 (S) TRANSMITTED TO (H)
04/08/11 (S) VERSION: CSSB 78(JUD)
04/09/11 (H) READ THE FIRST TIME - REFERRALS
04/09/11 (H) JUD
04/13/11 (H) JUD AT 1:00 PM CAPITOL 120

WITNESS REGISTER

KATIE KOESTER, Staff
Representative Paul Seaton
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Presented HB 224 on behalf of the sponsor,
Representative Seaton.

ANDREA FENAUGHTY, Ph.D., Deputy Chief
Chronic Disease Prevention and Health Promotion
Division of Public Health
Department of Health and Social Services (DHSS)
Anchorage, Alaska

POSITION STATEMENT: During discussion of HB 224, provided
comments, expressed support, and suggested a change to the bill.

SENATOR KEVIN MEYER

Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Sponsor of SB 15.

CHRISTINE MARASIGAN, Staff
Senator Kevin Meyer
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Assisted with the presentation of SB 15 on behalf of the sponsor, Senator Meyer.

ANNA SAPPAH, Executive Director
Alaska Addiction Professionals Association;
Beneficiary Member
Advisory Board on Alcoholism and Drug Abuse
Division of Behavioral Health (DBH)
Department of Health and Social Services (DHSS)
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 15.

DOUGLAS MOODY, Deputy Public Defender
Criminal Division
Central Office
Public Defender Agency (PDA)
Department of Administration (DOA)
Anchorage, Alaska

POSITION STATEMENT: During discussion of SB 15, expressed concerns and responded to questions.

ESTHER TEMPEL, Staff
Senator Lesil McGuire
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Presented SB 78 on behalf of the sponsor by request, Senator McGuire.

RICHARD M. ROSSTON, Attorney at Law
Dorsey & Whitney LLP
Anchorage, Alaska

POSITION STATEMENT: Provided comments during discussion of SB 78.

SILVIA VILLAMIDES, Director
Anchorage Cabaret, Hotel, Restaurant & Retailers Association
(Anchorage CHARR)
Anchorage, Alaska

POSITION STATEMENT: Provided comments during discussion of SB 78.

BOB KLEIN, Chairman
Alcoholic Beverage Control Board ("ABC Board")
Department of Public Safety (DPS);
Member
Board of Directors
Alaska Cabaret, Hotel, Restaurant and Retailer's Association,
Inc. (Alaska CHARR);
Director
Sales and Marketing (ph)
Brown Jug
Anchorage, Alaska

POSITION STATEMENT: Provided comments and responded to a question during discussion of SB 78.

J. RANDALL CALL, General Counsel
Alyeska Resort;
President
Alyeska Resort Development L.L.C.
(No address provided)

POSITION STATEMENT: Provided comments during discussion of SB 78.

ACTION NARRATIVE

[1:17:39 PM](#)

CHAIR CARL GATTO called the House Judiciary Standing Committee meeting to order at 1:17 p.m. Representatives Gatto, Keller, Pruitt, Thompson, Gruenberg, and Holmes were present at the call to order. Representative Lynn arrived as the meeting was in progress.

HB 224 - SALES OF NICOTINE PRODUCTS TO MINOR

[1:17:55 PM](#)

CHAIR GATTO announced that the first order of business would be HOUSE BILL NO. 224, "An Act relating to the prohibition of selling or giving tobacco or a product containing nicotine to a minor unless prescribed by a licensed physician."

REPRESENTATIVE THOMPSON moved to adopt the proposed committee substitute (CS) for HB 224, Version 27-LS0466\I, Gardner,

4/11/11, as the working document. There being no objection, Version I was before the committee.

1:19:29 PM

KATIE KOESTER, Staff, Representative Paul Seaton, Alaska State Legislature, on behalf of the sponsor, Representative Seaton, explained that HB 224 would make it a violation - punishable by a fine of [not less than \$300] - to sell or give a product containing nicotine to a [person under 19 years of age]. New products that contain nicotine - many looking like candy, breath mints, gum, toothpicks, hand wipes, or water - are now being marketed but aren't being regulated like other tobacco products. Nor are these new products intended or marketed as tobacco-cessation products, which are regulated by the U.S. Food and Drug Administration (FDA). In order to address the issue of youth under 19 years of age using tobacco-cessation products to help them quit smoking, HB 224 contains an exemption for nicotine products marketed and regulated as tobacco-cessation products that are prescribed by a health care professional, or that are provided to the youth by his/her parent or legal guardian. She mentioned that Version I uses the term, "health care professional", rather than the term, "physician", in order to address situations involving rural areas of the state, where physicians aren't always available.

MS. KOESTER noted that HB 224 uses an age threshold of 19, which is the same age threshold provided for in the statutes pertaining to tobacco. However, the Department of Health and Social Services (DHSS) would prefer that the bill's age threshold be changed to 18 so that when someone who is 18 years of age calls the DHSS's tobacco-cessation helpline, the DHSS would still be able to provide him/her with tobacco-cessation products. Ms. Koester mentioned that the sponsor would be amenable to such a change. She then went on to explain that Version I is proposing to address [non-cessation-related] nicotine-containing products by adding a new section 109 to AS 11.76, whereas the original version of the bill proposed to simply add references to products containing nicotine to existing AS 11.76.100. The original bill's approach was problematic, however, because AS 11.76.100 is referenced in the statutes addressing violations of and penalties associated with Alaska's tobacco laws as they relate to licensed vendors of tobacco products.

MS. KOESTER mentioned that members' packets include documentation regarding the toxicity of nicotine when used by

children; incidents requiring the hospitalization of children who used nicotine products; and the availability of such products, including information indicating that the packaging of such products so closely resembles that of candy, breath mints, gum, toothpicks, hand wipes, or water that they pose a real hazard to children. Also included is information indicating that at least one tobacco manufacturer has relayed that it has no intention of marketing such products for tobacco-cessation purposes. Again, such products are not currently regulated, and HB 244 is intended to stop their potential for abuse by children, thereby addressing the sponsor's concern.

[1:25:22 PM](#)

CHAIR GATTO observed that members' packets include a picture of some of those nicotine-containing products, illustrating how closely their packaging resembles that of benign products.

MS. KOESTER, in response to questions and comments, reiterated that currently these nicotine-containing products aren't regulated at all in Alaska - anyone of any age can buy them; concurred that under HB 224, violations would only warrant a monetary fine; mentioned that the bill also has a referral to the House Finance Committee; and relayed that the sponsor is very concerned about ensuring that children addicted to nicotine or tobacco can still access the resources they need in order to help them quit, and would therefore be amenable to altering the bill to that effect.

REPRESENTATIVE KELLER, to address the sponsor's concern, suggested changing proposed AS 11.76.109(b) such that after the words, "approved purposes;" the word, "and" be replaced with the word, "or".

MS. KOESTER pointed out that such a change would result in a parent or legal guardian being able to give his/her child nicotine-containing products that aren't intended for tobacco-cessation. As currently written, proposed AS 11.76.109(b) already provides an exemption for tobacco-cessation products, which, again, are regulated by the FDA.

[1:29:46 PM](#)

ANDREA FENAUGHTY, Ph.D., Deputy Chief, Chronic Disease Prevention and Health Promotion, Division of Public Health, Department of Health and Social Services (DHSS), referring to the DHSS's tobacco-cessation helpline, explained that currently,

people ages 18 and older who call the helpline are provided with tobacco-cessation products. As currently written, however, HB 224 would prevent the DHSS's from providing tobacco-cessation products to anyone who is 18 years of age. Furthermore, the Health Insurance Portability and Accountability Act (HIPAA) prevents the DHSS from providing such products to the parent or legal guardian of a person 18 years of age or older. Nonetheless, the DHSS is in support of HB 224 and is working with the sponsor to address this issue of 18-year-olds seeking tobacco-cessation products, perhaps by changing the age threshold from 19 to 18. In response to questions, she indicated that the DHSS is suggesting that the age threshold in proposed AS 11.76.109(b) be changed to 18.

[1:32:10 PM](#)

REPRESENTATIVE HOLMES made a motion to adopt Conceptual Amendment 1, to delete the term, "19" on page 1, line 13, and page 2, line 6, and replace it with the term, "18". There being no objection, Conceptual Amendment 1 was adopted.

CHAIR GATTO, after ascertaining that no one else wished to testify, closed public testimony on HB 224.

REPRESENTATIVE HOLMES characterized HB 224 as a good bill.

[1:33:23 PM](#)

REPRESENTATIVE THOMPSON moved to report the proposed CS for HB 224, Version 27-LS0466\I, Gardner, 4/11/11, as amended, out of committee with individual recommendations and the accompanying zero fiscal notes. There being no objection, CSHB 224(JUD) was reported from the House Judiciary Standing Committee.

The committee took an at-ease from 1:34 p.m. to 1:36 p.m.

SB 15 - SEX OFFENDER/UNDERAGE ALCOHOL OFFENSE

[1:36:32 PM](#)

CHAIR GATTO announced that the next order of business would be CS FOR SENATE BILL NO. 15(JUD), "An Act relating to penalties for certain alcohol offenses involving persons under 21 years of age committed by certain sex offenders or child kidnappers."

[1:36:53 PM](#)

SENATOR KEVIN MEYER, Alaska State Legislature, sponsor, explained that SB 15 would increase the penalties for the crimes of providing alcohol to a minor when the offense is committed by a person who is required to register as a sex offender or a child kidnapper. Under SB 15, if the underlying offense is [a violation, the aggravated penalty would be a class B misdemeanor; if the underlying offense is a class A misdemeanor, the aggravated penalty would be a class C felony; and if the underlying offense is a class C felony, the aggravated penalty would be a class B felony. The specific crimes that could be so aggravated under SB 15 are: AS 04.16.051 - Furnishing or delivery of alcoholic beverages to persons under the age of 21; AS 04.16.055 - Room rental for purposes of consuming alcoholic beverages; and AS 04.16.057 - Permitting minor to illegally possess liquor in dwelling.] There is a strong correlation between alcohol use and sexual assault, and the intent of the bill is to stop those who use alcohol in order to facilitate their sexual abuse of a minor crimes. In conclusion, he mentioned that SB 15 passed the Senate unanimously and has attached fiscal notes.

[1:39:46 PM](#)

CHRISTINE MARASIGAN, Staff, Senator Kevin Meyer, Alaska State Legislature, on behalf of the sponsor, Senator Meyer, and in response to a comment, clarified that members' packets should now contain two indeterminate fiscal notes, one from the Department of Law (DOL) and one from the Department of Corrections (DOC).

SENATOR MEYER added that in its initial fiscal note calculations, the DOC had used historical conviction averages, but when it was pointed out in the Senate Finance Committee that it's not possible to estimate how many new convictions passage of SB 15 would result in, the DOC replaced its prior fiscal notes with an indeterminate fiscal note.

[1:43:05 PM](#)

ANNA SAPPAAH, Executive Director, Alaska Addiction Professionals Association; Beneficiary Member, Advisory Board on Alcoholism and Drug Abuse, Division of Behavioral Health (DBH), Department of Health and Social Services (DHSS), after mentioning that in addition to being in long-term recovery from substance abuse, she is a survivor of several alcohol-related sexual assault/abuse crimes, relayed that she is speaking in support of

SB 15. It is important to acknowledge the potential for sexual abuse that arises when adults furnish alcohol and/or other drugs to minors, she opined, because this behavior enables sex offenders and other predators to victimize minors who become judgmentally impaired while under the influence. Predators that provide any mind- or mood-altering substance to minors should be punished for doing so. The pain of living with having been sexually abused can be devastating to children. In conclusion, she asked the committee to support SB 15 so as to give communities another tool with which to promote justice when dealing with predators who would use any means available to victimize Alaska's children.

[1:44:45 PM](#)

DOUGLAS MOODY, Deputy Public Defender, Criminal Division, Central Office, Public Defender Agency (PDA), Department of Administration (DOA), in response to a query, indicated that the only concern the PDA has is that SB 15 might be applied to those who aren't the intended targets of the bill.

MS. MARASIGAN pointed out, though, that the bill specifies that the proposed increased penalties apply to people who are required to register as a sex offender or as a child kidnapper. In other words, SB 15 only applies to persons who have already been convicted of such crimes. Providing alcohol or drugs to a minor can leave him/her ripe for being sexually abused. Furthermore, statistics indicate that from 2006 to 2007, over half of all sexual assaults occurring in Anchorage involved alcohol, and one-third involved victims under the age of 19. These statistics highlight the need for another tool to help keep such predators away from Alaska's children. In response to comments and questions, she clarified that the bill would only apply to registered sex offenders or registered child kidnappers who violate either AS 04.16.051, AS 04.16.055, or AS 04.16.057; and remarked that the bill is intended to address predators who use alcohol as a grooming tool.

MR. MOODY, in response to questions and comments, offered his understanding that the bill itself would not impact any already-established penalty that could be imposed for violating conditions of probation/parole, and that any such penalty would have to be imposed consecutively.

[Members then briefly discussed aspects of existing AS 04.16.051.]

MS. MARASIGAN, in response to comments and questions regarding whether to either expand or limit who the bill would apply to, noted that those issues were discussed in the Senate Judiciary Standing Committee, and explained that via SB 15 as currently written, the sponsor is attempting to address the behavior of those who are already known to be predators because they have to register as such; under the bill, the proposed increased penalties could be applied before another sexual abuse of a minor crime takes place.

[2:07:28 PM](#)

REPRESENTATIVE KELLER, referring to the DOC's [initial but replaced] fiscal note, indicated favor with the SB 15's proposal.

CHAIR GATTO observed that the court-decision notes pertaining to AS 04.16.051 mention the issue of double jeopardy, and surmised that there are probably going to be instances wherein certain charges get merged.

CHAIR GATTO then relayed that CSSB 15(JUD) would be held over.

SB 78 - LIABILITY RELATED TO ALCOHOL

[2:10:29 PM](#)

CHAIR GATTO announced that the final order of business would be CS FOR SENATE BILL NO. 78(JUD), "An Act relating to liability of certain limited liability organizations holding liquor licenses; and relating to accidents involving the vehicle of a person under the influence of alcoholic beverages."

[2:11:40 PM](#)

ESTHER TEMPEL, Staff, Senator Lesil McGuire, Alaska State Legislature, on behalf of Senator McGuire, the sponsor by request, explained that in order to provide the same limited liability to limited liability companies (LLCs) that hold a liquor license [as is currently provided to corporations that hold a liquor license], Section 1 of SB 78 would add to AS 04.21.035 specific references to limited liability partnerships (LLPs) and foreign LLPs and to the partners of such LLPs, and would delete the reference to AS 10.50, which addresses LLCs specifically. Section 2 of the bill, by adding a new section 315 to AS 09.65, would limit the liability of

taxi/limousine drivers who get in an accident while driving an intoxicated person's vehicle from a licensed premise.

MS. TEMPEL indicated that these days, LLCs are often used as alternatives to corporations, but the statutes related to alcoholic beverages don't currently provide the members of an LLC with the same protection against liability as is provided to the owners of a corporation. With regard to limiting the liability of taxi/limousine drivers who drive an intoxicated person's vehicle from a licensed premise, the initial legislation authorizing this liability-limitation passed in 2004 and included a sunset date of 2007, which was subsequently overlooked. Section 2 of the bill contains language similar to that of the initial, authorizing legislation, which was intended to provide a deterrent to driving under the influence (DUI), and would give taxi/limousine companies - except in the case of recklessness, gross negligence, or intentional misconduct - some legal immunity in the event that an accident occurs while the taxi/limousine driver is driving the inebriated person's car.

[2:15:14 PM](#)

MS. TEMPEL indicated that without passage of SB 78, a lot of the transportation companies [that had been participating in a program established after passage of the initial legislation aren't going to participate anymore] due to concerns about liability. In response to a question, she mentioned that Section 2's proposed AS 09.65.315(d) specifies what constitutes consent by a motor vehicle owner. She surmised, therefore, that if a person has his/her car keys taken away because he/she has had too much to drink, that that in itself would constitute consent under the bill.

REPRESENTATIVE GRUENBERG questioned whether Section 1's proposed changes are necessary.

MS. TEMPEL offered her understanding that liquor licenses aren't generally held by LLPs, and that without passage of Section 1, in order to ensure that there is a limitation on its liability, an LLC that wishes to hold a liquor license must first create a shell corporation for that specific purpose.

[2:22:53 PM](#)

RICHARD M. ROSSTON, Attorney at Law, Dorsey & Whitney LLP, concurred that LLPs aren't generally formed for the purpose of holding a liquor license; ventured that the proposed changes to

AS 04.21.035 are necessary in order to provide LLCs that hold a liquor license with the same limited liability as is currently provided to corporations that hold a liquor license; and surmised that back when the aforementioned initial legislation was enacted, it wasn't widely known that in the business world, LLCs are treated more like corporations than partnerships, and so Section 1 of SB 78 is merely proposing to correct the initial legislation's error in not also providing similar limited liability for LLCs. Under current law, LLCs that wish to hold a liquor license and still have limited liability must form a separate corporation, and this has proven to be inefficient and cumbersome.

[2:26:39 PM](#)

SILVIA VILLAMIDES, Director, Anchorage Cabaret, Hotel, Restaurant & Retailers Association (Anchorage CHARR), mentioned that she would be addressing Section 2 of SB 78, the proposed limit on liability for taxi/limousine drivers who get in an accident while driving an intoxicated person's vehicle from a licensed premise. She then referred to and provided information about a program started after passage of the initial legislation - the "Off the Road" program, in which an inebriated person at a participating establishment can request a free ride home and have his/her vehicle driven home as well - and indicated favor with having the limitation on liability for taxi/limousine drivers reinstated in statute. In conclusion, she mentioned that a survey conducted in 2002-2003 indicated that for a variety of reasons, the majority of patrons were very reluctant to leave their vehicles at a licensed premise overnight, thereby illustrating the need for legislation such as SB 78, passage of which would encourage participation by liquor-license holders in the aforementioned program.

[2:28:30 PM](#)

BOB KLEIN, Chairman, Alcoholic Beverage Control Board ("ABC Board"), Department of Public Safety (DPS); Member, Board of Directors, Alaska Cabaret, Hotel, Restaurant and Retailer's Association, Inc. (Alaska CHARR); Director, Sales and Marketing (ph), Brown Jug, ventured that SB 78 is intended to fix the problem that resulted from the initial, authorizing legislation having contained a sunset provision that was subsequently overlooked. He characterized the aforementioned "Off the Road" program as a wonderful program, noting that it's nationally recognized and has done well in the cities that have used it. In response to a question, he clarified that because no one

realized at the time that the initial, authorizing legislation had sunset, many participating establishments simply kept using the program, and so now entities have been scrambling to find adequate insurance, which is very expensive. On the issue of LLCs and AS 04.21.35, Mr. Klein relayed that he concurs with Mr. Rosston's summation, adding his belief that with the initial, authorizing legislation, it was no one's intention to remove "corporate-type protections" [from LLCs that hold a liquor license]. In conclusion, he encouraged passage of SB 78.

[2:31:45 PM](#)

J. RANDALL CALL, General Counsel, Alyeska Resort; President, Alyeska Resort Development L.L.C., offering some of Alyeska Resort's acquisition history - as it related to LLCs, corporations, and liability - as an example of the problem warranting the changes proposed by Section 1, indicated that passage of SB 78 is important for encouraging out-of-state investors to participate in Alaska's business opportunities.

CHAIR GATTO, after ascertaining that no one else wished to testify, closed public testimony on SB 78.

REPRESENTATIVE THOMPSON observed: "The language in Senate Bill 78 does not prohibit or limit an injured driver or passenger ... from pursuing damages from any other automobile policy which may be available to them under the uninsured or underinsured policy coverage under normal procedures of stacking automobile insurance under AS 28.22.221."

MS. TEMPLE and REPRESENTATIVE GRUENBERG concurred.

[2:35:38 PM](#)

REPRESENTATIVE THOMPSON moved to report CSSB 78(JUD) out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSSB 78(JUD) was reported from the House Judiciary Standing Committee.

[2:37:32 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Judiciary Standing Committee meeting was adjourned at 2:37 p.m.