

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

March 24, 2011

2:02 p.m.

**MEMBERS PRESENT**

Senator Dennis Egan, Chair  
Senator Joe Paskvan, Vice Chair  
Senator Linda Menard  
Senator Cathy Giessel

**MEMBERS ABSENT**

Senator Bettye Davis

**COMMITTEE CALENDAR**

**Presentation: Economic Security for Women in Alaska by Portia Wu, Vice President, National Partnership for Women and Families**

- HEARD

SENATE BILL NO. 32

"An Act making a special appropriation to capitalize the alternative energy revolving loan fund; and providing for an effective date."

- HEARD & HELD

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 28(FIN)

"An Act relating to temporary courtesy licenses for certain nonresident professionals and to a temporary exemption from fees and other licensing requirements for active duty members of the armed forces."

- HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: SB 32

SHORT TITLE: APPROP: ALTERNATIVE ENERGY REV. LOAN FUND

SPONSOR(s): SENATOR(s) WIELECHOWSKI, MCGUIRE

01/19/11	(S)	PREFILE RELEASED 1/14/11
01/19/11	(S)	READ THE FIRST TIME - REFERRALS
01/19/11	(S)	L&C, FIN

01/19/11 (S) L&C RPT RECD W/CS AWAIT TRANSMITTAL NXT  
03/24/11 (S) L&C AT 2:00 PM BELTZ 105 (TSBldg)

BILL: HB 28

SHORT TITLE: TEMP LICENSE/FEE WAIVER FOR PROFESSIONALS

SPONSOR(s): REPRESENTATIVE(s) THOMAS, HERRON, FEIGE

01/18/11 (H) PREFILE RELEASED 1/7/11  
01/18/11 (H) READ THE FIRST TIME - REFERRALS  
01/18/11 (H) L&C, FIN  
02/07/11 (H) L&C AT 3:15 PM BARNES 124  
02/07/11 (H) Moved CSHB 28(L&C) Out of Committee  
02/07/11 (H) MINUTE(L&C)  
02/09/11 (H) L&C RPT CS(L&C) NT 7DP  
02/09/11 (H) DP: THOMPSON, SADDLER, JOHNSON, HOLMES,  
MILLER, SEATON, OLSON  
02/16/11 (H) FIN AT 1:30 PM HOUSE FINANCE 519  
02/16/11 (H) Moved CSHB 28(FIN) Out of Committee  
02/16/11 (H) MINUTE(FIN)  
02/18/11 (H) FIN RPT CS(FIN) NT 11DP  
02/18/11 (H) DP: FAIRCLOUGH, GARA, T.WILSON,  
GUTTENBERG, JOULE, NEUMAN, COSTELLO,  
EDGMON,  
02/18/11 (H) DOOGAN, STOLTZE, THOMAS  
02/23/11 (H) TRANSMITTED TO (S)  
02/23/11 (H) VERSION: CSHB 28(FIN)  
02/24/11 (S) READ THE FIRST TIME - REFERRALS  
02/24/11 (S) STA, L&C  
03/08/11 (S) STA AT 9:00 AM BUTROVICH 205  
03/08/11 (S) Heard & Held  
03/08/11 (S) MINUTE(STA)  
03/22/11 (S) STA AT 9:00 AM BUTROVICH 205  
03/22/11 (S) Moved SCS CSHB 28(STA) Out of  
Committee  
03/22/11 (S) MINUTE(STA)  
03/22/11 (S) L&C AT 2:00 PM BELTZ 105 (TSBldg)  
03/22/11 (S) <Bill Hearing Rescheduled to 3/24/11>  
03/23/11 (S) STA RPT SCS 5DP SAME TITLE  
03/23/11 (S) DP: WIELECHOWSKI, KOOKESH, PASKVAN,  
MEYER, GIESSEL  
03/24/11 (S) L&C AT 2:00 PM BELTZ 105 (TSBldg)

**WITNESS REGISTER**

PORTIA WU, Vice President  
National Partnership for Women and Families  
Washington, D.C.

**POSITION STATEMENT:** Provided presentation on women's economic security in Alaska.

MICHELLE SYDEMAN  
Staff to Senator Wielechowski  
Alaska State Legislature  
Juneau, AK

**POSITION STATEMENT:** Commented on SB 32 for the sponsor.

SENATOR BILL WIELECHOWSKI  
Alaska State Legislature  
Juneau, AK

**POSITION STATEMENT:** Sponsor of SB 32.

MARY WALKER, Executive Director  
Stewards of Creation  
Fairbanks, AK

**POSITION STATEMENT:** Supported SB 32.

DENNIS SWIDERSKI, small business owner  
Orca Island Cabins  
Seward, Alaska

**POSITION STATEMENT:** Supported SB 32.

MARK MASTELLER, State Director  
Cascadia Green Building Council  
No address provided

**POSITION STATEMENT:** Supported SB 32.

DAVID LESH, small business owner  
Gustavus Inn,  
Gustavus, AK

**POSITION STATEMENT:** Supported SB 32.

JOHN WEDDLETON, representing himself  
Anchorage, AK

**POSITION STATEMENT:** Supported SB 32.

KACI SCHROEDER  
Staff for Representative Thomas  
Alaska State Legislature  
Juneau, AK

**POSITION STATEMENT:** Explained the changes in the SCS to CSHB 28 for the sponsor.

MARK SANSOUCI  
Regional Liaison for Military Families for the Northwest

U.S. Department of Defense  
**POSITION STATEMENT:** Supported HB 28.

**ACTION NARRATIVE**

[2:02:50 PM](#)

**CHAIR DENNIS EGAN** called the Senate Labor and Commerce Standing Committee meeting to order at 2:02 p.m. Present at the call to order were Senators Menard, Giessel, and Chair Egan.

**Economic Security for Women In Alaska by Portia Wu**

[2:03:34 PM](#)

CHAIR EGAN announced that a presentation by Portia Wu on economic security for women in Alaska would be the first order of business.

[2:04:01 PM](#)

PORTIA WU, Vice President, National Partnership for Women and Families, Washington, D.C., said she was honored to be here as part of the Alaska Women's Summit in Juneau. She said she was pleased to talk with them about the work that they do at the National Partnership on women's economic security and some important policy ideas that come out of their work. She said the partnership is a non-profit, non-partisan advocacy organization and focuses on federal advocacy but also works with many state partners. They focus on women's equality in the workplace and the broader marketplace. She personally oversees issues of equal employment opportunity, workplace fairness (pay equity) and family policies that help women and men to be responsible employees as well as responsible family members. Finally, she said they also work on affordable and quality health care for all, but that wouldn't be a focus of her presentation today.

[2:05:29 PM](#)

She began by "setting the table" a little about the economic state of women in the United States and in Alaska. March is women's history month and it also marks the hundredth anniversary of the Triangle Shirtwaist Factory fire, a very tragic moment, but one that galvanized and marked the beginning of a real revolution in our country in terms of basic protections: safety standards as well as economic protections. She said, "I think we may be in a similar moment in our history now for reasons I'll explain."

First Ms. Wu said she wanted to spend time talking about the economic situation of Alaskan women today. Even though Alaska is

a very unique state, women's economic security is very similar to what is seen across the United States. Women in Alaska make up 47 percent of Alaskan workers; nationwide it is running at almost 50 percent. Sixty-five percent of families with children are families where all parents work; that includes single parent families. This is very important because it makes one realize that workers are caregivers, too, and a lot of children are in situations where both of their parents are working. There are over 16,000 Alaskans living with grandchildren under 18 and nearly half of these grandparents are responsible for caring for those grandchildren. Sixty eight thousand Alaskans serve as family caregivers of one kind or another.

MS. WU spent a few moments talking about women's earnings. It's important to realize that women's workforce participation has increased steadily over the decades, but we also need to realize that women's earning have become really central to families' economic security. So 4 in 10 working mothers are the primary earners in their households; that means they are either the sole breadwinner or they are earning more than their spousal partner is. Sixty-three percent, two-thirds, are bringing home at least one-quarter of their families' income. If you're a married couple that means you are earning at least half of what your husband is earning. That means that a woman's salary is absolutely critical to families' daily budgets, not just a matter of paying for a vacation or a second car.

Another thing people should think about is that while women's incomes are crucial today, the growth in our economy is very closely tied to women's jobs. A chart showed the top 10 categories for job growth projected by the U.S. Department of Labor in the years 2006-2016. It showed overwhelming that they expect the new jobs our country is creating to be what are typically thought of as women's jobs. They also know that women are gaining more skills in many ways to prepare for jobs of the future. Several years ago, women already surpassed men in terms of obtaining bachelor's degrees. Most recently women have also surpassed men in terms of obtaining higher professional degrees like PhDs.

[2:09:40 PM](#)

Because there is so much talk about public employment right now, Ms. Wu said she thought it was also worth looking at a snapshot of women's participation in state and local government work and found that roughly 60 percent of workers at the local government level are women. She understands from anecdotal evidence that it's a very similar percentage in Alaska. It's also worth noting

that statistics show that women in public employment tend to experience less of a wage gap than they do in the private sector. They also tend to have more management, more representation in management and other opportunities. This is for many reasons. States have affirmative action programs; they are also been under public scrutiny and they often have wage scales. States have a transparent and open wage structure, so women can know if they are being paid equally or not. Yet with all of this going on, women continue to be family members and caregivers - while men are making strides in caregiving. But, women still bear the bulk of caregiving responsibilities.

[2:11:19 PM](#)

MS. WU said they can't talk about the overall economic picture of workers and of families without talking about retirement security, and particularly with the shift from a defined benefit (DB) to a defined contribution (DC) universe, not only in public employment but in private sector employment in many places. With the changes in the stock market and the recent economic recession, confidence among workers is at a 20-year low according to a recent survey. Of the responding workers, only 13 percent said they were confident they would have a comfortable retirement; 35-50 percent said they were not confident at all or not very confident they could meet basic needs. The kinds of basic needs they asked about were health care, housing and food.

Because of this pressure, social security is obviously more important than ever, but for women in particular, because they tend to live longer than men and have lower wages and are less likely to have a pension throughout their lifetime. Social security is absolutely critical to their support in their older age. Without Social Security, the poverty rate among elderly women (over 65) would increase dramatically in Alaska and that is typical around the country. Despite all this, women are working more than ever; they're holding lots of jobs. Their incomes are absolutely critical and yet there is still a very significant wage gap.

[2:13:03 PM](#)

MS. WU said she heard at the summit that the Alaska Department of Labor and Workforce Development (DOLWD) has run its own detailed statistics - unlike the U.S. Census Bureau that does it based on a very big picture sampling. The U.S. Census indicates that in Alaska, women earn \$.76 to a man's dollar while state statistics indicate that it is more like \$.66. This difference amounts to approximately \$10,000 per year, a very big gap and

translates into things like several months of mortgage, a year of rent, one and a half years of food bills, years of family health insurance premiums and over 3,000 additional gallons of gas. "So, the wage gap really makes a tremendous difference for our working families." She said if you added up the wage gap for all working women in Alaska it would be something like \$1 billion in lost wages.

[2:14:18 PM](#)

Another issue is how far behind we are in terms of work-family laws and protections with the changed workplace. Women have higher labor participation than ever, yet they haven't stopped being mothers or daughters or primary care givers in their families. Unfortunately, workplace laws haven't caught up in this regard. Roughly, 40 percent of Alaskans don't have a single paid sick day through their employer. Alaska does not have a law requiring paid sick days (some minimal number of days to take care of your own illness like the flu). A person with no sick leave may also be afraid of losing their job if they don't show up to work. In some states that have passed laws like this the leave may be used to cover things like domestic violence needs like going to a court appointment to get a restraining order.

MS. WU said what's very notable about this trend is that usually it's the higher wage workers that have paid sick days. That's because this problem is often concentrated in many lower wage jobs and more vulnerable jobs. So they won't be surprised to learn that 80 percent of lower wage workers don't have paid sick days. A very disturbing trend is that 75 percent of food service workers and childcare workers do not have paid sick days, which means that people who touch us, our food and children are the ones who are least likely to be able stay home when sick. They are also the ones who are most likely to spread communicable diseases.

MS. WU said that nearly half of Americans are not covered by the Family and Medical Leave Act, which is the only federal law that provides any leave - but it is unpaid leave and there is no paid maternity leave in this country. California and New Jersey have paid leave caregiving laws and have an insurance system that works very well. Sometimes when she talks to states they say that they want to be competitive with the rest of the world. But, actually the U.S. is incredibly behind the rest of the world in this respect. Therefore, we are failing to retain skilled women workers when we could be keeping them in our workforces.

She emphasized that because of the lack of protections, some workers can be written up or disciplined for missing work because they are sick or because their child is sick.

[2:17:03 PM](#)

SENATOR PASKVAN joined the committee.

MS. WU went on to say that two of the issues they are pressing not only in Washington D.C. but in the states around the country are equal pay and work family issues. Health care has many challenges with respect to implementation and funding especially when listening to the budget debates. Debates are also ongoing about Social Security that has a tremendous potential to impact on Americans and Alaskans.

On the point of fair pay, the first major substantive bill that President Obama signed into law was the Lilly Ledbetter Fair Pay Act in 2009. It reversed a negative Supreme Court decision basically saying you didn't have an act of discrimination every time you were underpaid. You had to figure it out and file your claim after the first time it happened. And as everyone knows, sometimes you don't realize you've been underpaid until quite a bit latter. However, she said they are still fighting for changes and improvement to equal pay laws to be sure that women can help close the wage gap. The current piece of legislation pending before the Congress is the Paycheck Fairness Act. It passed the House and fell two votes short in the Senate. Another vote is coming up in this Congress. This act closes some loopholes that have developed over the years and without it, closing the gap for women will be difficult. At the current rate it may be closed in 2058 or 2060.

MS. WU said the budget cuts debate is going on in Congress, but HR 1 is the most draconian version of the proposals on the table. They hope it won't pass, but items under discussion have very dramatic consequences for people in Alaska. Eliminating funds for job training at a time when millions of people are out of work could hurt 2,200 workers here, as well as hundreds of children who could lose Head Start and childcare. Thousands of students would be hurt by Pell Grant cuts, and obviously women and men would be hurt by the loss of family planning and related preventive health services.

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MS. WU said don't look to Washington to lead on the issues of work family and fair pay laws and that much of domestic policy is made in the states first. The states are the innovators and

drivers. Some states and cities are considering laws with anywhere between 5 and 9 paid sick days for workers to take off to care for their illness or a child's illness, but also to seek preventive care. Preventive care can really reduce costs for employers, but it's important that workers can get the time off to get that mammogram or cholesterol screening. San Francisco, Washington, D.C. and Milwaukee have all passed laws doing this; Connecticut and some other states are also considering laws. She said parents who don't have paid sick days are five times more likely to take their child to the emergency room than parents who do have paid sick days. It's because they cannot get there during the work day.

New Jersey and California have instituted paid leave systems for more serious illnesses and those are going well. There have been some interesting findings for maternal and infant health, for example, along with breast feeding, and for men to be able to take some time to bond with newborns, which improves fatherhood involvement, and also for self-care and care for elderly parents.

Other states have looked at expanding the Family and Medical Leave Act that is unpaid leave, but states often have higher thresholds than the federal law, which only covers workplaces with 50 or more employees. Ms. Wu said she recently testified in front of the Pennsylvania Committee on Labor on behalf of a woman whose sister had cervical cancer; she was single in her 30s, she had no spouse, and their parents were elderly or deceased. So, this other sister had to quit her job, because she did not have Family and Medical Leave Act protection to care for her sister through the end of her life.

Other states and cities have moved forward with school leave, so parents can get a couple hours off to go to a PTA meeting to stay involved and help their kids learn at school or address discipline problems early. The right to express breast milk at work helps new nursing moms and has recently become a federal law through the new federal Health Care bill. But dozens of states already had their own laws.

Finally, Ms. Wu said she wanted to highlight the issue of worker driven workplace flexibility. Everyone understands that flexible workplaces can be good, but they have to remember that workers need to have some control over their hours, particularly in this economy where mandatory overtime and just-in-time scheduling is used. Businesses lose out when they see increased turnover that

can be very expensive for them, particularly among lower wage workers, by not having more sophisticated policies.

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She said the White House has convened a series of conversations around the country called "The National Dialogue on Workplace Flexibility" and it's run by the U.S. Department of Labor. These are business-to-business conversations allowing businesses to highlight their best practices and share with each other. Some of the people involved in these forums include Ted Childs, former CEO of IBM, and Admiral Mike Mullen, Chairman of the Joint Chiefs, who talked a lot about what the military has done in terms of workplace flexibility. They have paid paternity leave - of only a few days - but they have it because they realize they need to recruit and retain good people. Good work family policies are absolutely critical for that. She said this is not only an issue for workers' economic security for our public health, but also for employers' productivity and competitiveness.

MS. WU said they are seeing attacks on work family policies in Wisconsin where collective bargaining is under attack, as well. A bill has been introduced to roll back the state Family Medical Leave Act. She related that the voters of Milwaukee voted to pass a paid sick day ordinance that got tied up in litigation, but was just certified as being a legal ordinance. However, a bill was introduced at the state level cutting off what the voters at the city level passed, saying that cities can't legislate about public health and wellbeing matters. That is very discouraging, because they feel it is important for cities to be able to have that kind of autonomy. These policies seem to be working and why not allow cities to protect their employees and also their communities?

CHAIR EGAN thanked her for taking the time to make her presentation to the committee.

**SB 32-APPROP: ALTERNATIVE ENERGY REV. LOAN FUND**

[2:27:15 PM](#)

CHAIR EGAN announced SB 32 to be up for consideration.

[2:27:44 PM](#)

MICHELLE SYDEMAN, staff to Senator Wielechowski, sponsor of SB 32, said that this measure would capitalize an existing loan fund designed to provide loans to businesses and Alaska non-profits interested in upgrading the energy efficiency of their

buildings or installing alternative energy systems. This fund was originally created in 1978 to provide loans to homeowners for renewable energy systems. It was capitalized with \$18 million and almost 3,000 loans were made. However, in 1986 the legislature started taking money out of the fund and the program became inactive soon thereafter. Since then, the Alaska Housing Finance Corporation (AHFC) has initiated two very popular programs, weatherization and home energy rebates, to help Alaskans keep their homes more efficiently and inexpensively. AHFC also offers residential loans to homeowners for efficiency upgrades. Through these programs the state is helping many Alaskans reduce their home heating costs. Yet, little is being done to help small Alaskan businesses and non-profits struggling with the same high fuel costs.

Last year, when the Senate was crafting its omnibus Energy bill, many debated what could be done to ease the burden skyrocketing energy costs were imposing on businesses and non-profits across the state. The solution they arrived at was to expand the purposes of the Alternative Energy Loan Fund to enable businesses and non-profits to borrow money at a reasonable interest rate to pay for energy conservation improvements shown to reduce costs over the long run. SB 222, passed unanimously by the legislature last session, did just that.

MS. SYDEMAN said they were here now to ensure that the fund created last year is capitalized. The purpose, of course, is to help Alaskan-owned businesses and non-profits to become stronger and in the case of businesses, more profitable. The second purpose is to enable the state to fulfill the goals of the energy policy the legislature adopted last year, one of which was to achieve a 15 percent increase in energy efficiency on a per capita basis by 2020. The achievement of that goal becomes even more important as the state contemplates substantial investments in energy production, transportation and cost equalization, such as construction of a bullet line, the Watana Dam or power cost equalization (PCE) program.

She said there is high demand within the commercial sector for a loan fund of this sort. On February 15, the Alaska Energy Authority (AEA) closed the application period for its new Commercial Energy Audit Program funded with federal stimulus funds. There was a five-week application period and over 135 businesses applied for subsidized audits under this program. Participating businesses offered to voluntarily implement wide-ranging efficiency measures in exchange for acceptance,

indicating a high level of need and commitment to saving energy and money.

MS. SYDEMAN said that Alaskan businesses are hit not only by high fuel costs, but they also use twice the energy of businesses nation-wide. Businesses applying for AEA's commercial energy audit program reported average energy costs of \$2.35 sq. ft. when it's \$1.19 sq. ft. nation-wide. This difference puts Alaskan businesses at a disadvantage.

There is ample evidence that investments in energy efficiency pay off quickly. For instance, in 2007, an Anchorage company invested \$30,000 in energy efficiency improvements at its 21,000 sq. ft. building. The return on this investment has been 27 percent per year, far beyond the normal rate of return on many other investments. However, this substantial rate of return is consistent with what they have seen with residential energy efficiency investments. AHFC's Home Energy Rebate Program has reduced energy use by an average of 33 percent for almost 10,000 homes, saving each household an average of \$1,535 annually. For every dollar spent on energy efficiency through both home energy rebates and weatherization, \$.24 is saved annually. Comparable savings could be expected for businesses through this loan fund making them more profitable and competitive.

This program would also create jobs. AHFC estimates 2,500 jobs were created from the Home Energy Rebate and Weatherization programs. Similar job trends could be expected from this loan fund.

[2:33:25 PM](#)

MS. SYDEMAN said this bill proposes an initial capitalization of \$10 million, which would enable the state to lend \$30,000 to approximately 85 businesses each year on a revolving basis. It will be up to the Finance Committee to ultimately decide what rate of capitalization is appropriate and affordable given other state commitments and needs.

[2:34:10 PM](#)

SENATOR BILL WIELECHOWSKI, sponsor of SB 32, said this bill attempts to close what is seen as a gap in energy assistance funding. Energy assistance funding exists for governments and individuals and they are simply trying to close the gap by including businesses.

[2:35:10 PM](#)

MARY WALKER, Executive Director, Stewards of Creation, Fairbanks, said they are the only faith-based environmental stewardship non-profit in the state. She reported that 14 churches and 1 synagogue applied to the AEA's Energy Audit Program under the commercial side. She said a lot of congregations are spending a lot of money on energy. For instance, the University Presbyterian in Fairbanks is spending \$32,000 a year for fuel and \$18,000 in electricity and it is a congregation of 100 people. She said she liked this loan piece because it's not a handout, but rather a hand up.

[2:37:11 PM](#)

DENNIS SWIDERSKI, owner, Orca Island Cabins, Seward, said he supported SB 32, because small businesses like his can benefit from funding earmarked for the development of alternative energy. He explained that his business is part of the ecotourism industry in Alaska. Because they are off the grid, they use solar power to provide the limited electricity on their one-acre island close to Seward. They carry their water to the island from the small boat harbor in Seward and pump it to the holding tanks under each cabin and use propane as fuel for the cabin heaters, on-demand hot water, kitchen ranges, et cetera. Their costs are quite large, but they are eco-friendly and many of their guests have expressed appreciation for that approach.

MR. SWIDERSKI said they are at a financial crossroads, because the Department of Natural Resources (DNR) has authorized them to build an 80-foot pedestrian foot bridge connecting them with the mainland to build additional cabins there. They will need funding and a large part of that will be to enhance the solar system that they now use; a desalinator would be nice as well.

CHAIR EGAN handed that gavel over to Vice Chair Paskvan saying he had to go to a budget close-out.

[2:41:42 PM](#)

MARK MASTELLER, State Director, Cascadia Green Building Council, said they are a non-profit group and part of the U.S. Green Building Council that does education, training and promotion of high performance buildings in primarily the commercial and public sector. He said he supported SB 32 especially since it included measures to promote conservation efficiency in businesses and non-profits. These are the critical first steps that need to be taken before thinking about energy systems. "We don't want to waste any energy, whether it's fossil energy or renewable energy; so conservation and efficiency has to be done first." This funding will allow that to happen in the loan

program. It will clear the way for the eventual use of renewable energy systems.

MR. MASTELLER suggested it would be nice if this loan program required conservation and efficiency measures first, because that is what is the best return on investment and it's the best step to a world where everything can be powered on renewable energy.

2:44:07 PM

DAVID LESH, owner, Gustavus Inn, Gustavus, Alaska, said this revolving loan fund is an important step for the state to help rural businesses adapt to rising energy prices and the need to keep costs low to compete with tourist destinations throughout the world. He said his family's business has been operating since 1965 and they have seen many changes regarding availability and cost of energy in their community. Currently they are paying in excess of \$.30 kwh and over \$4 gallon for heating oil. Some improvements have been relatively easy to do such as improving insulation; but he has more extensive improvements planned that require more time and money than he has available.

MR. LESH said he is currently participating in the AEA's new commercial energy audit grant program and has agreed to implement energy improvements with a seven-year payback. The revolving loan fund is designed to work in conjunction with professional energy audits to ensure that money is being spent on responsible projects at responsible businesses. Access to low interest monies would make it much easier and more likely for him to finish the improvements identified in the audit.

2:45:54 PM

JOHN WEDDLETON, representing himself, said he owns a small business in Anchorage with 20 employees. He said he also supported SB 32. He said his business is pretty typical of Anchorage businesses that are in fairly inefficient buildings. He related how a couple of years ago he substantially reduced his energy usage in his 5,000 sq. ft. concrete block warehouse. He prioritized his work based on an audit by Andy Baker. At the time, his warehouse was mostly empty and he was lucky to have the money to do the work. In 2008, he insulated the exterior walls, added ceiling fans, insulated an overhead door, added programable thermostats, did weather stripping, put thermal blinds on the windows and sealed cracks. He converted all the lights to T5 or T8s. The insulation cost about \$9,500 and the lights about \$3,500. As a result of these improvements, in the

peak months there was a 20-25 percent reduction in both gas and the electric use. Before he did the work the warehouse was used mostly for storage and after he did that work he got four employees in there working regular business hours. The lights were on a lot more and it was kept quite a bit warmer. So the reduction was fairly substantial. At this point, there is a lot more to do, but it gets into a lot more money and longer payback times.

He said if gas and electric went up 20 percent or more he would look for ways to cut those costs again. He said he was lucky to have a good cash flow when he needed to do the work, but a lot of businesses don't have the extra dollars. It's still a sensible thing for them to do.

He said the quality of life in his warehouse has been improved substantially and that leads to better employee productivity, something that is hard to put a dollar value on.

VICE-CHAIR PASKVAN said he had two dozen letters from individual Alaskan businesses supporting SB 32 and finding no further comments closed public testimony.

[SB 32 was held in committee.]

#### **HB 28-TEMP LICENSE/FEE WAIVER FOR PROFESSIONALS**

[2:50:26 PM](#)

VICE CHAIR PASKVAN announced HB 28 to be up for consideration.

SENATOR MENARD moved to adopt SCS CSHB 28( ), labeled 27-LS0192\T.

VICE CHAIR PASKVAN objected for discussion purposes.

[2:52:10 PM](#)

KACI SCHROEDER, staff for Representative Thomas, sponsor of HB 28, said the CS makes two changes. The first one is in section 2 on page 2, line 29, through page 3. She explained that the previous version had a section that dealt directly with the service member and since the rest of the bill deals only with military spouses, the drafter suggested moving that section to another area of law that also deals with service members. Now, the new section deals only with military spouses and the other section deals only with service members.

The other change is on page 3, line 3, where a period was inserted after "area" breaking up a run-on sentence and clarifying that the exemption is good for 180 days.

MS. SCHOREDER said that HB 28 focuses on bettering the lives of military families whose lives are dominated by frequent deployments, relocations and extended periods of single parenthood. Military spouses are extremely transient with 14.5 percent of them crossing state lines each year as opposed to only 1.1 percent of their civilian counterparts. They are less likely to be employed and if they are employed, they tend to earn less than their civilian counterparts. However, they are not unlike their civilian counterparts in that they depend on two incomes and they want to achieve their goals and aspirations. So, HB 28 allows a military spouse to obtain a temporary license so they can work while fulfilling the requirements for a full Alaskan license in their various professions.

SENATOR MENARD posed a situation in which a military spouse is a dental hygienist and there is strict licensing with that. So, now they're going to go from the West Coast to the East Coast - would that be temporary or is it just for people coming into Alaska.

MS. SCHROEDER replied just for people coming into Alaska.

SENATOR MENARD said she knows these professions become very volatile and asked if she had been in contact with the different highly qualified fields, the medical field especially.

MS. SCHROEDER replied yes; the bill has changed drastically from the first draft based on feedback from the professions, the department and Senator Giessel in the last committee.

[2:55:24 PM](#)

MARK SANSOUCI, Regional Liaison for Military Families for the Northwest, U.S. Department of Defense, said he would be brief since he saw two of the three members passed this bill out of State Affairs two days ago. This bill doesn't require a fiscal note. This temporary license issue is part of what they consider "a kitchen table" issue for families who need the dual incomes. It frequently determines whether the family will stay in the military as experienced NCOs or officers.

He said since most military spouses are women that among the wage gap earners discussed earlier and these situations get

exacerbated when the spouse who tends to be a professionally licensed person may be hung up on requirements and can't get to work quickly. This measure will help in that respect also. It has no intent to professionally license a person who is not going to meet Alaskan requirements; it just gets them to work earlier while they work on fulfilling those requirements.

[2:57:13 PM](#)

Finally, Mr. Sansouci said, military spouse employment and careers is one of the top ten key issues of the Department of Defense state liaison office.

SENATOR GIESSEL thanked Ms. Schroeder for her work and said this is very clearly written now.

[2:59:25 PM](#)

VICE CHAIR PASKVAN thanked everyone for their testimony and finding no further questions, closed public testimony. [HB 28 was held in committee.] Finding no further business to come before the committee, he adjourned the meeting at 2:59 p.m.