

ALASKA STATE LEGISLATURE
SENATE LABOR AND COMMERCE STANDING COMMITTEE

April 10, 2012

1:31 p.m.

MEMBERS PRESENT

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

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 252(FIN)

"An Act exempting certain small businesses from the corporate income tax; and providing for an effective date."

- MOVED SCS CSHB 252(L&C) OUT OF COMMITTEE

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 301(FIN)

"An Act relating to enforcement of boating safety statutes; amending the termination date of certain statutes relating to the use, operation, and regulation of boats, a uniform state waterway marking system, and civil liability for boat owners; providing for an effective date by amending the effective date of secs. 3, 5, 7, 9, 11, 14, 16, 18, 20, 23, 26, and 27, ch. 28, SLA 2000, as amended; and providing for an effective date."

- MOVED SCS CSHB 301(L&C) OUT OF COMMITTEE

SENATE BILL NO. 128

"An Act relating to brewery licenses."

- MOVED CSSB 128(L&C) OUT OF COMMITTEE

SENATE BILL NO. 166

"An Act relating to the licensing of medical laboratory science professionals; and providing for an effective date."

- HEARD & HELD

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 50(JUD)

"An Act relating to the purchase of alcoholic beverages at a club and to access by certain persons under 21 years of age to a club's licensed premises when alcoholic beverages are present."

- MOVED CSHB 50(JUD) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HB 252

SHORT TITLE: SMALL BUSINESS INCOME TAX EXEMPTION

SPONSOR(S): REPRESENTATIVE(S) COSTELLO

| | | |
|----------|-----|---|
| 01/17/12 | (H) | PREFILE RELEASED 1/6/12 |
| 01/17/12 | (H) | READ THE FIRST TIME - REFERRALS |
| 01/17/12 | (H) | L&C, FIN |
| 02/22/12 | (H) | L&C AT 3:15 PM BARNES 124 |
| 02/22/12 | (H) | Moved CSHB 252(L&C) Out of Committee |
| 02/22/12 | (H) | MINUTE(L&C) |
| 02/24/12 | (H) | L&C RPT CS(L&C) 6DP 1NR |
| 02/24/12 | (H) | DP: THOMPSON, JOHNSON, SADDLER, HOLMES, MILLER, OLSON |
| 02/24/12 | (H) | NR: CHENAULT |
| 02/29/12 | (H) | FIN AT 1:30 PM HOUSE FINANCE 519 |
| 02/29/12 | (H) | Heard & Held |
| 02/29/12 | (H) | MINUTE(FIN) |
| 03/13/12 | (H) | FIN AT 8:30 AM HOUSE FINANCE 519 |
| 03/13/12 | (H) | Moved CSHB 252(FIN) Out of Committee |
| 03/13/12 | (H) | MINUTE(FIN) |
| 03/14/12 | (H) | FIN RPT CS(FIN) 8DP 3NR |
| 03/14/12 | (H) | DP: GARA, GUTTENBERG, JOULE, COSTELLO, EDGMON, DOOGAN, STOLTZE, THOMAS |
| 03/14/12 | (H) | NR: FAIRCLOUGH, T.WILSON, NEUMAN |
| 03/23/12 | (H) | TRANSMITTED TO (S) |
| 03/23/12 | (H) | VERSION: CSHB 252(FIN) |
| 03/26/12 | (S) | READ THE FIRST TIME - REFERRALS |
| 03/26/12 | (S) | L&C, FIN |
| 04/03/12 | (S) | L&C AT 1:30 PM BELTZ 105 (TSBldg) |
| 04/03/12 | (S) | Heard & Held |
| 04/03/12 | (S) | MINUTE(L&C) |
| 04/05/12 | (S) | L&C AT 1:30 PM BELTZ 105 (TSBldg) |
| 04/05/12 | (S) | BOATING REGULATION: SUNSET/ENFORCEMENT |
| 04/10/12 | (S) | L&C AT 1:30 PM BELTZ 105 (TSBldg) |

BILL: HB 301

SHORT TITLE: BOATING REGULATION: SUNSET/ENFORCEMENT

SPONSOR(S): REPRESENTATIVE(S) AUSTERMAN

01/27/12 (H) READ THE FIRST TIME - REFERRALS
 01/27/12 (H) L&C
 02/22/12 (H) L&C AT 3:15 PM BARNES 124
 02/22/12 (H) Moved Out of Committee
 02/22/12 (H) MINUTE(L&C)
 02/24/12 (H) L&C RPT 7DP
 02/24/12 (H) DP: CHENAULT, THOMPSON, SADDLER,
 JOHNSON, HOLMES, MILLER, OLSON
 02/24/12 (H) FIN REFERRAL ADDED AFTER L&C
 03/07/12 (H) FIN AT 1:30 PM HOUSE FINANCE 519
 03/07/12 (H) Scheduled But Not Heard
 03/15/12 (H) FIN RPT CS(FIN) NT 10DP
 03/15/12 (H) DP: FAIRCLOUGH, GARA, JOULE, T.WILSON,
 GUTTENBERG, NEUMAN, COSTELLO, EDGMON,
 03/15/12 (H) STOLTZE, THOMAS
 03/15/12 (H) FIN AT 8:30 AM HOUSE FINANCE 519
 03/15/12 (H) Moved CSHB 301(FIN) Out of Committee
 03/15/12 (H) MINUTE(FIN)
 03/23/12 (H) TRANSMITTED TO (S)
 03/23/12 (H) VERSION: CSHB 301(FIN)
 03/26/12 (S) READ THE FIRST TIME - REFERRALS
 03/26/12 (S) L&C, FIN
 04/03/12 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
 04/03/12 (S) Heard & Held
 04/03/12 (S) MINUTE(L&C)
 04/05/12 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
 04/05/12 (S) LABORATORY SCIENCE PROFESSIONAL
 LICENSING
 04/10/12 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)

BILL: SB 128

SHORT TITLE: BREWERY LICENSES/PERMITS

SPONSOR(S): SENATOR(S) MCGUIRE

04/15/11 (S) READ THE FIRST TIME - REFERRALS
 04/15/11 (S) L&C, JUD
 03/29/12 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
 03/29/12 (S) Heard & Held
 03/29/12 (S) MINUTE(L&C)
 04/03/12 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
 04/03/12 (S) <Bill Hearing Canceled>
 04/05/12 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
 04/10/12 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)

BILL: SB 166

SHORT TITLE: LABORATORY SCIENCE PROFESSIONAL LICENSING

SPONSOR(s): SENATOR(s) DAVIS

01/17/12 (S) READ THE FIRST TIME - REFERRALS
01/17/12 (S) L&C, FIN
04/05/12 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
04/05/12 (S) BREWERY LICENSES/PERMITS
04/10/12 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)

BILL: HB 50

SHORT TITLE: ACCESS TO LICENSED PREMISES

SPONSOR(s): REPRESENTATIVE(s) SADDLER

01/18/11 (H) PREFILE RELEASED 1/7/11
01/18/11 (H) READ THE FIRST TIME - REFERRALS
01/18/11 (H) L&C, JUD
04/04/11 (H) L&C AT 3:15 PM BARNES 124
04/04/11 (H) Moved Out of Committee
04/04/11 (H) MINUTE(L&C)
04/05/11 (H) L&C RPT 5DP 2NR
04/05/11 (H) DP: CHENAULT, THOMPSON, SADDLER,
JOHNSON, OLSON
04/05/11 (H) NR: HOLMES, MILLER
03/14/12 (H) JUD AT 1:00 PM CAPITOL 120
03/14/12 (H) Heard & Held
03/14/12 (H) MINUTE(JUD)
03/16/12 (H) JUD AT 1:00 PM CAPITOL 120
03/16/12 (H) Moved CSHB 50(JUD) Out of Committee
03/16/12 (H) MINUTE(JUD)
03/21/12 (H) JUD RPT CS(JUD) 6DP
03/21/12 (H) DP: LYNN, GRUENBERG, KELLER, PRUITT,
THOMPSON, GATTO
04/05/12 (H) TRANSMITTED TO (S)
04/05/12 (H) VERSION: CSHB 50(JUD)
04/06/12 (S) READ THE FIRST TIME - REFERRALS
04/06/12 (S) L&C, JUD
04/10/12 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)

WITNESS REGISTER

JOSHUA WALTON, Staff
Representative Mia Costello
Alaska State Legislature
Juneau, AK

POSITION STATEMENT: Commented on HB 252 for the sponsor.

REPRESENTATIVE Alan AUSTERMAN
Alaska State Legislature

Juneau, AK

POSITION STATEMENT: Sponsor of HB 301.

GENEVIEVE WOTJUSIK, Staff

Senator Lesil McGuire

Alaska State Legislature

Juneau, AK

POSITION STATEMENT: Explained the changes in CSSB 128(), version \D.

SASSAN MOSSANEN

Denali Brewing Company

Talkeetna, AK

POSITION STATEMENT: Supported SB 128.

KAREN BERGER, part-owner

Homer Brewing Company

Homer, AK

POSITION STATEMENT: Supported SB 128.

ZACH HENRY

St. Elias Brewing Company

Soldotna, AK

POSITION STATEMENT: Supported SB 128.

ALICE KERKVLJET, owner

Michael's Restaurant

Soldotna, AK

POSITION STATEMENT: Supported SB 128.

TOM OBERMEYER, Staff

Senator Bettye Davis

Alaska State Legislature

Juneau, AK

POSITION STATEMENT: Explained the changes in CSSB 166(), version \I.

WARD HURLBURT, Director

Division of Public Health

Department of Health and Social Services (DHSS)

Anchorage, AK

POSITION STATEMENT: Explained how SB 166 would affect his division.

GLORIA TOMICH

University of Alaska Anchorage

Anchorage, AK

POSITION STATEMENT: Supported SB 166.

WILLIE RUMBO, medical technologist representing himself
Anchorage, AK

POSITION STATEMENT: Opposed SB 166.

DON HABEGER, Director
Division of Corporations
Business and Professional Licensing Section
Department of Commerce, Community and Economic Development
Juneau, AK

POSITION STATEMENT: Answered questions about how SB 166 would affect his department.

REPRESENTATIVE DAN SADDLER
Alaska State Legislature
Juneau, AK

POSITION STATEMENT: Sponsor of HB 50.

ACTION NARRATIVE

[1:31:56 PM](#)

CHAIR DENNIS EGAN called the Senate Labor and Commerce Standing Committee meeting to order at 1:31 p.m. Present were Senators Giessel, Davis and Chair Egan.

HB 252-SMALL BUSINESS INCOME TAX EXEMPTION

[1:33:18 PM](#)

CHAIR EGAN announced consideration of HB 252. [CSHB 252(FIN) was before the committee.]

SENATOR MENARD joined the committee.

[1:33:31 PM](#)

JOSHUA WALTON, staff to Representative Mia Costello, sponsor of HB 252, said that Senator Paskvan had prepared an amendment that provides additional sideboards to the bill by limiting the amount of time that a company can qualify for this exemption to 10 years after they first have taxable income. He said the sponsor did not object to the amendment.

SENATOR DAVIS moved to adopt Amendment 1, labeled 27-LS1085\D.2.

27-LS1085\D.2
Nauman

AMENDMENT 1

OFFERED IN THE SENATE

TO: CSHB 252(FIN)

Page 1, line 9:

Delete "**a tax year**"

Insert "**the 10 tax years**"

Following "**2012,**":

Insert "**or for the 10 tax years immediately following the first year a corporation has taxable income,**"

CHAIR EGAN found no objection, and Amendment 1 was adopted.

[1:35:02 PM](#)

At ease from 1:35:02 to 1:35:38 p.m.

[1:35:38 PM](#)

SENATOR DAVIS moved to report CSHB 252(FIN), as amended, from committee with individual recommendations and attached fiscal note(s).

CHAIR EGAN found no objection, therefore SCS CSHB 252(L&C) moved from the Senate Labor and Commerce Standing Committee.

[1:35:57 PM](#)

At ease from 1:35 to 1:38 p.m.

[1:38:02 PM](#)

CHAIR EGAN reconvened the Senate Labor and Commerce Standing Committee meeting and recognized Senator Menard.

SENATOR MENARD asked the committee to take a moment of silence in memory of Representative Carl Gatto.

HB 301-BOATING REGULATION: SUNSET/ENFORCEMENT

CHAIR EGAN announced consideration of HB 301 [SCS CSHB 301(L&C) was before the committee with an objection by Senator Paskvan].

[1:39:28 PM](#)

REPRESENTATIVE ALAN AUSTERMAN, sponsor of HB 301, said this bill is about a program that has proven to save lives. It also teaches people and makes them aware of the dangers of being on the water. This bill has had a sunset just about every time it

has passed and it will continue to have a sunset in a little bit different form this time. The specific date in the sunset clause was removed leaving language that said if federal funds go away, the legislature would have to decide whether they would want to use state dollars to continue it.

CHAIR EGAN noted that Senator Paskvan had objected to the Senate CS because he had a question. The question was answered, but the objection needed to be removed in order to move the bill from committee.

SENATOR MENARD stated support for HB 301.

[1:43:25 PM](#)

At ease from 1:43:25 to 1:44:08 p.m.

[1:44:08 PM](#)

CHAIR EGAN reconvened the meeting at 1:44 p.m.

SENATOR DAVIS moved to lift the objection. There were no objections, and it was so ordered.

[1:44:36 PM](#)

SENATOR MENARD moved to report HB 301 from committee with individual recommendations and attached fiscal note(s). There were no objections, and SCS CSHB 301(L&C) moved from the Senate Labor and Commerce Standing Committee.

[1:45:21 PM](#)

At ease from 1:45 to 1:47 p.m.

SB 128-BREWERY LICENSES/PERMITS

[1:47:32 PM](#)

CHAIR EGAN announced consideration of SB 128.

SENATOR MENARD moved to adopt CSSB 128 (), version 27-LS0647\D.

CHAIR EGAN objected for discussion purposes.

GENEVIEVE WOTJUSIK, staff to Senator Lesil McGuire, explained that this version clarifies some things that were brought to their attention in committee last week. The chairs at the bar and live entertainment would only happen during fives special events that are permitted per year. Changing the hours from 8 to 10 would be year round. It also adds that each brewery employee must have a Tams card (alcohol awareness training). Breweries

are pretty new to the state and that was not required before, because the statute is old.

CHAIR EGAN withdrew his objection.

SENATOR PASKVAN joined the committee.

CHAIR EGAN asked Senator Paskvan if he had any questions since he had talked about the Tams cards.

SENATOR PASKVAN replied that his concern had been cured.

SENATOR MENARD asked if a brewery would be held to the same scrutiny when it holds an event as a regular licensed establishment.

MS. WOTJUSIK answered yes.

1:50:09 PM

SASSAN MOSSANEN, Denali Brewing Company, Talkeetna, said he sent a letter of support to the committee on SB 128 and wanted to read it. The letter related that their tasting room is closed by 6 p.m. for seven months of the year, but in the remaining months it is critical for them to be able to serve small quantities of product to interested folks. By providing a quality experience for their guests, they bring attention to what a great state Alaska is to visit. Without exception, he said, they don't have a single evening during the summer season where they do not have to turn guests away. Many of the folks are local, hardworking Alaskans that take advantage of the longer days to work past 8 p.m. and would prefer to support their local brewery. Some of them have driven two hours from Anchorage to enjoy their favorite beer, only to be told "no." The nuance of the difference between a brew pub and a brewery escape many of them He read further:

Equally important are the visitors to the state that are here to experience genuine Alaskan hospitality. People from all over the world come to Talkeetna to experience the mountains, rivers, and create a flavor that can only be found here. Sadly, after a day of fishing or exploring our backyard, we are forced to hastily usher these folks out of our establishment. There is no way to gain support for a local industry that has a long tradition of bringing visitors to our state and employing many. Manufacturing in Alaska is

not easy. SB 128 gives small business owners further freedom to manage their business responsibly.

MR. MOSSANEN said he was available to answer questions.

SENATOR MENARD said she resides in the Mat-Su Borough that is famous for the Alaska State Fair and that several other communities have a fair, too. She asked if this special events permit would allow a brewery to set up an off-premise location in which to vend their beer.

MR. MOSSANEN replied that Denali Brewing had been the official brewery of the Alaska State Fair last year and will be the official brewery again this year. The way they win that distinction is by winning the Mat-Su Beer Festival. He didn't know if this would enable them to set up a vending booth at the Fair. Their interest has been primarily to work through their distributor. The Alaska State Fair, over the course of the last two years, has been putting a genuine effort into bringing attention to the local breweries in Alaska and Denali Brewery intends to continue using that avenue.

[1:56:31 PM](#)

KAREN BERGER, part-owner, Homer Brewing Company, Homer, supported SB 128. They definitely know the difference between being a brewery and a brew pub, she said, and they are not intending to go into competition with their customers, which are the finer eating and drinking establishments in the town. She believed that breweries have enhanced all the licenses in the state by providing locally made product with "a whole lot of soul."

She said that breweries have become an economic force in the state and that having a special events permit would give them a chance to showcase their operation and allow the public to have a more personal connection to these businesses. All are non-smoking establishments. She couldn't imagine any of the breweries in the state not having their key personnel being a card-carrying member of Tams card.

SENATOR MENARD asked how many new breweries have opened since 1996.

MS. BERGER replied about 13 or 15 and they had all been successful.

[2:00:59 PM](#)

ZACH HENRY, St. Elias Brewing Company, Soldotna, supported SB 128. He said they have a "restaurant eating place public convenience license" and operate like a brew pub with beer and wine on site and no hard liquor. He thought their friends across the state that own breweries should be able to operate their businesses until 10 p.m. and didn't see the special events permit five times a year as any competition to them.

MS. WOTJUSIK clarified that there are 10 brew pubs, 1 pub and 16 breweries in the state.

[2:02:58 PM](#)

ALICE KERKVLIT, owner, Michael's Restaurant, Soldotna, supported SB 128. Her two brewery neighbors made her aware of SB 128; they are good companies doing good things for their community, running their businesses responsibly. She didn't see a problem with them having a special events permit.

CHAIR EGAN stated that the amendment was adopted.

SENATOR MENARD moved to report CSSB 128(), labeled 27-LS0647\D, from committee to the next committee of referral with individual recommendations and attached fiscal note as amended. There were no objections, and it was so ordered.

[2:05:28 PM](#)

At ease from 2:05 p.m. to 2:06 p.m.

SB 166-LABORATORY SCIENCE PROFESSIONAL LICENSING

[2:06:40 PM](#)

CHAIR EGAN announced consideration of SB 166, [CSSB 166(), labeled 27-LS1163\I was before the committee].

[2:07:12 PM](#)

TOM OBERMEYER, staff to Senator Bettye Davis, said SB 166 establishes a seven-member board of clinical laboratory science professionals that includes one public member, five members that are licensed by the board (a medical laboratory scientist, a laboratory technician, a medical laboratory assistant, a phlebotomy technician, a public health scientist and (in the CS) a medical laboratory director.

He said that SB 166 requires licensing of medical laboratory science professionals under Title 8. Today, medicine is a team effort, which requires the highest quality and coordination of all occupations in provider services. Most health care

professions are licensed in Alaska to protect the public and define the scope of practice and training required to engage in them. However, medical laboratory science professionals and radiologic technologists are not licensed, yet they perform the majority of diagnostic testing in Alaska.

MR. OBERMEYER said at least 70 percent of laboratory results are used for direct patient care, diagnostic, therapeutic or management decisions and that inaccurate test results by unqualified medical professionals can delay appropriate care and lead to inappropriate or harmful diagnoses or treatments that could result in injury or death. The complexity and importance of laboratory science in modern medicine makes it necessary that medical laboratory personnel possess the qualifications necessary to ensure their professional competence. That is what SB 166 does. The CS also has transition clauses that provide for continuing part-time, full-time and non-resident temporary medical technician workers.

SENATOR PASKVAN moved to bring version CSSB 166(), version 27-LS1163\I, before the committee for discussion purposes.

CHAIR EGAN objected for discussion purposes.

MR. OBERMEYER explained that the CS would increase the composition of the board from five members to seven; the board will now have five licensed medical laboratory science professionals, the medical laboratory director and one public member. Their scope of practice is set out on pages 3 and 4. He explained that version I of SB 166 increases the initial staggered terms for three members who will serve three years instead of two (the previous M version provided for two members who will serve one year). The number of members on the board was increased as well as the terms staggered to provide for this change. The CS also changes the definition of "medical laboratory science director" to a management director "in charge of personnel and the performance of laboratory tests" (page 8, lines 5-8).

MR. OBERMEYER said the medical director also need not be a licensed allopathic physician, which was required in the original version but was changed in version M. The CS deletes the duties of the board to establish continuing education requirements, because another section (830) of this new chapter already covers competency. The CS changes responsibility for examination and licensing from the department to the board.

On page 7, lines 16-18, under the list of exemptions from license requirements, number (8) specifies that allopathic physicians or osteopaths with a specialty in pathology will assist in preparing for postmortem examinations. Number (9) provides an exemption for a certified cytotechnologist with a revised list of their duties under the supervision of a physician or osteopath (page 7, lines 19-20).

Finally, Mr. Obermeyer said, the CS provides grandfathering for currently employed persons under the applicability section to the licensing requirement on page 8. Grandfathering is limited to two years for those employed in the state for three of the last five years who have documented advanced education, training and experience in lieu of certification by a national credentialing agency (page 8, line 30 to page 9, line 7).

The transition section on page 9 says licensing is not required for up to one year following the effective date of the act for a half-time worker with at least 1,040 hours of acceptable medical laboratory testing experience during two of the preceding three calendar years and who submits the documented job descriptions for the positions in which he acquired the experience to the board. It also exempts non-resident workers from certification or the licensing requirement who come into the state on a temporary basis for up to 13 weeks in a 12-month period. That refers back to exemption number (6).

[2:14:28 PM](#)

He noted that penalties are not included in either versions I, B or M, because the boards under Title 8 already have a number of disciplinary powers including revoking a license and imposing a civil fine not to exceed \$5,000.

[2:15:02 PM](#)

SENATOR MENARD asked how many other states require this type of licensing and if he could share the range of costs for licensing in other states.

MR. OBERMEYER said he had some of that information in the office, but the department could better answer those questions. Alaska has 600 to 900 individuals who would fall under this proposal, so it shouldn't be an expensive process for them.

SENATOR MENARD said her concern was that medical students incur a tremendous debt for their schooling, and even if the fee is a little more than in other states, it would be just one more

negative that would keep someone from coming back to Alaska to work.

MR. OBERMEYER again said that the department could respond to that, but his understanding was that this bill avoided a great number of costs. Because the certifying agencies are outside Alaska, this board just checks to make sure these people actually have the hours and qualifications they have submitted, and then they are licensed or not at that point.

CHAIR EGAN asked Mr. Hurlburt if he could answer any of Senator Menard's questions.

[2:19:34 PM](#)

WARD HURLBURT, Director, Division of Public Health, Department of Health and Social Services (DHSS), said some of the specific cost questions could be answered by the Department of Commerce, Community and Economic Development (DCCED). He appreciated the intent to assure quality for laboratory testing, but the Center for Medicare and Medicaid Services (CMMS) states that they regulate all laboratory testing in the country. A hospital lab, for instance, goes through a certification process through either the Joint Commission or the Council of American Pathologists. He explained that CLIA (Clinical Laboratory Improvement Amendments) mandate standards for clinical laboratories in physicians' offices and certain fairly basic tests can have a CLIA waiver. In his experience, those are not just paper requirements but real quality requirements. So he believed that establishing this board could have a potential adverse impact on small physicians' offices, because it might increase costs and make recruitment harder.

SENATOR PASKVAN asked what percentage of currently practicing professionals would have to be brought up to speed in two years.

MR. HURLBURT replied that he didn't have that information available. Large labs would have the baccalaureate level and technician level (two-year training) technologists, as well as laboratory assistants. The state lab is run by a PhD. A small physician's office would employ people with on-the-job training who use waived CLIA tests for competency.

[2:23:34 PM](#)

SENATOR GIESSEL asked why these individuals should fundamentally be licensed.

MR. OBERMEYER answered that it was felt that people are supposed to have national standards going through this process and that there really isn't a great deal of control, particularly in offices that have waiver standards (which tends to be the bulk of the testing). He wasn't suggesting that they weren't highly qualified people, but that there are no standards for what they are supposed to be doing. He had asked Heidi Amen from the DHSS and Gloria Tomich, University of Alaska Anchorage, to respond to this issue and to include the number of the types of associate and bachelor degrees that are required. The concept behind it is competency and protection of the public.

SENATOR DAVIS added that this bill was requested by those in the profession and their testimony could shed more light on the issue.

SENATOR GIESSEL said she would defer to Senator's Davis' recommendation to hear from those individuals.

[2:26:12 PM](#)

GLORIA TOMICH, University of Alaska Anchorage, said because 70 percent of medical decisions are based on laboratory results, an educated and competent workforce in laboratory testing was needed. This is accomplished through certification. Licensure under this bill does require certification. The goal of licensure is to have more stringent requirements for the performance of laboratory testing that will reduce laboratory errors and increase patient safety.

MS. TOMICH said the journal article submitted to the committee gives examples of laboratory errors, particularly in point of care testing. Noncertified testing personnel have a higher rate of error than those who are under the supervision of certified personnel. She said this will not prevent health care providers from hiring noncertified staff but it will require oversight of competency and quality control by licensed personnel who are certified.

MS. TOMICH said she believed that all medical personnel working in Alaska should be licensed. It is important for quality laboratory testing, which ultimately results in better patient safety. Currently, in Alaska, most health care professionals except laboratory scientists and radiologic technicians are licensed.

[2:28:17 PM](#)

She said that 13 states have licensure for laboratory professionals and 25 states are in the process of requiring it.

SENATOR GIESSEL asked why have a board if national certification by a recognized credentialing agency or organization is the criteria by which competency is measured. It seems redundant.

MS. TOMICH replied that laboratory professionals are certified by the national agency and one of this bill's strong points is that every three years people must provide evidence of continuing education to maintain their certification. She explained that laboratory world is very dynamic; it changes all the time and people need to keep current with it. The current certification requiring continuing education is sufficient to support those who are licensed.

SENATOR GIESSEL questioned the need for a regulating board when Ms. Tomich was already saying that this national organization certifies competence and continued competence,

MS. TOMICH replied that not all laboratory testing is done by certified personnel and a large number of errors are made by people who are not certified.

[2:30:52 PM](#)

SENATOR GIESSEL said it's up to the employer to determine the credentials of the individual they are employing to perform certain duties and asked in practical application, if she was requiring that all physician offices hire only certified lab techs.

MS. TOMICH responded that the bill doesn't require that all lab techs have certification, but it does require having oversight of quality control and competency, and a consultant could come in and do that oversight. It's a closer monitoring of quality control and competency of the staff that is doing the testing. She clarified that physician office laboratories do point of care testing including CLIA waived tests, but a lot of point of care testing is not waived.

SENATOR GIESSEL said the Joint Commission on Accreditations of Healthcare Organizations (JCAHO), the national lab certifying agency, and the CMMS already monitor physician lab operations, and this is all done to verify validity, and asked if this just another hoop that adds cost to the health care system and creates a board that isn't really necessary.

MS. TOMICH replied that the Joint Commission and CLIA regulate and license laboratories; however, they don't closely monitor competency, education and continuing education. They don't require continuing education, and they believe that continuing education is very important for laboratory professionals. If someone doesn't know the current protocols, then they won't perform laboratory testing properly. Again, they have testimony from people who have talked about a lot of errors in point of care testing and they are hoping this licensure will cut down on those errors.

[2:34:38 PM](#)

WILLIE RUMBO, representing himself, Anchorage, said he is a medical technologist and that he opposed SB 166. He agreed that it would raise costs and create another hoop for medical professionals to go through just to be able to practice their jobs. CLIA does create those regulations already; it requires minimum training and education standards.

The focus seems to be on point of care testing, but CLIA does require a minimum education standard for that. He explained that point of care testing not only occurs in doctors' offices, but at the hospital and in emergency rooms. Will they require certified technicians to perform testing in emergency rooms and on the floors in hospitals and say this won't raise the cost of medicine? That is preposterous, and they are assuming that everyone who performs point of care testing is somehow incompetent. Twenty of his colleagues also oppose this. He said the Food and Drug Administration regulates them and there is already enough regulation from the federal government.

CHAIR EGAN asked if he thought SB 166 was unnecessary.

MR. RUMBO replied it is very unnecessary. He reiterated that they are already regulated through the Center for Medicare and Medicaid Services and by the Food and Drug Administration that both require minimum education standards for performing his job, which includes point of care testing.

SENATOR PASKVAN asked what education level he had attained.

MR. RUMBO replied a Bachelor's Degree in Medical Technology.

[2:39:21 PM](#)

DON HABEGER, Director, Division of Corporations, Business and Professional Licensing, Department of Commerce, Community and Economic Development (DCCED), commented that currently the fee

on page 5, line 9, is established by the division; central licensing requires annual review of revenue and expenses. He explained that essentially, the formula for setting fees has to match approximate revenue and expenses. If the board is setting those fees, it should have a similar standard. Otherwise it may not cover expenses and that would make management of the program difficult.

SENATOR GIESSEL said language on page 5, line 5, identifies a three-year licensure duration and asked if other licenses are provided by the division that endure for three years.

MR. HABEGER replied the he administers 40 programs and only one, the geologist, has a lifetime license; all others have a two-year bi-annual cycle.

[2:41:55 PM](#)

SENATOR MENARD asked if the department had a position on this.

MR. HABEGER replied no.

MR. OBERMEYER said he could see how raising standards could cost more, but if some of the results are not adequately understood, then the public is at risk.

CHAIR EGAN thanked them and said he would hold this bill until the next meeting. He asked Hilary Martin if she had any clarifications and found she did not have any comment.

[CHAIR EGAN held SB 166 in committee.]

HB 50-ACCESS TO LICENSED PREMISES

[2:45:32 PM](#)

CHAIR EGAN announced consideration of HB 50 [CSHB 50(JUD) was before the committee].

SENATOR PASKVAN moved to bring CSHB 50(JUD), labeled 27-LS0254\B, before the committee.

CHAIR EGAN objected for discussion purposes.

[2:46:22 PM](#)

REPRESENTATIVE DAN SADDLER, sponsor of HB 50, explained that this measure deals with patriotic clubs, like the American Legion or the VFW Halls, which may be licensed premises for liquor sales as club licenses. The bill does not allow minors to

drink; it's merely an access bill with two basic elements. One deals with service members over age 21 and the other with those who are under 21.

He explained that current law allows those active duty personnel with a military ID over 21 years of age to visit a licensed Legion or VFW Hall when invited, but only on "special occasions," which is not defined. This bill illuminates that vague special occasion restriction so that a soldier who is over 21 can legally visit a VFW or Legion Hall at the club's invitation on any occasion. Thanks to a previous amendment in the House, it will also allow that soldier to bring his or her spouse with.

REPRESENTATIVE SADDLER said the second part of the bill deals with service members who are under 21 years old, minors. He explained that patriotic clubs are often the site of off-base meetings and commander's calls for military units where important information - potential employments, verbal discipline and congratulations - is communicated. Excluding minor soldiers under age 21 could erode unit cohesion and unit morale. HB 50 would allow soldiers under the age of 21 and their spouse with appropriate IDs to visit a patriotic club's licensed premise if they are members or guests of a member. If their host leaves, they have to leave, too.

SENATOR PASKVAN remembered when the drinking age in Alaska was 19 because of the Viet Nam War. Then the federal government said if you want to receive federal highway dollars, the age had to be raised to 21 years old. Part of that was establishing a 55 mph speed limit; that is long gone in America, but the 21 year drinking age remains. They should recognize that 19 and 20 year old soldiers are probably mature enough to drink, along with the other 19 and 20 year olds.

SENATOR MENARD asked what type of IDs would be accepted.

REPRESENTATIVE SADDLER replied a current military ID. There is a whole range of different kinds of military IDs that include those issued by the Department of Defense and Homeland Security Card.

SENATOR PASKVAN moved to report CSHB 50 (JUD), version \B, from committee to the next committee of referral with individual recommendations and attached zero fiscal note. There were no objections, and it was so ordered.

2:50:54 PM

At ease from 2:50 to 2:52 p.m.

2:52:58 PM

Finding no further business to come before the committee, Chair Egan adjourned the Senate Labor and Commerce Committee meeting at 2:52 p.m.