

ALASKA STATE LEGISLATURE
SENATE LABOR AND COMMERCE STANDING COMMITTEE

March 13, 2014

1:34 p.m.

MEMBERS PRESENT

Senator Mike Dunleavy, Chair
Senator Peter Micciche, Vice Chair
Senator Donald Olson
Senator Bert Stedman
Senator Johnny Ellis

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

SENATE BILL NO. 166

"An Act relating to nursing and to the Board of Nursing."

- MOVED CSSB 166(L&C) OUT OF COMMITTEE

SENATE BILL NO. 167

"An Act relating to the maximum amount of uninsured and underinsured coverage payable under multiple motor vehicle insurance policies issued by the same insurer in the same household."

- MOVED SB 167 OUT OF COMMITTEE

SENATE BILL NO. 156

"An Act relating to direct-entry midwives."

- HEARD & HELD

SENATE BILL NO. 190

"An Act permitting a guide-outfitter to delegate certain guide services to a person who is not licensed by the Big Game Commercial Services Board."

- HEARD & HELD

SENATE BILL NO. 140

"An Act creating the Arctic infrastructure development program and fund in the Alaska Industrial Development and Export Authority."

- MOVED CSSB 140(L&C) OUT OF COMMITTEE

SENATE BILL NO. 99

"An Act correcting a reference to the Alaska Industrial Development and Export Authority revolving fund; limiting the use of the Alaska Industrial Development and Export Authority sustainable energy transmission and supply development fund for certain loans and loan guarantees and allowing the development fund to be used as security for a bond guarantee; and amending the definition of 'qualified energy development.'"

- SCHEDULED BUT NOT HEARD

SENATE BILL NO. 193

"An Act relating to bonds required for contractors."

- SCHEDULED BUT NOT HEARD

PREVIOUS COMMITTEE ACTION

BILL: SB 166

SHORT TITLE: BOARD OF NURSING; NURSES

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

02/07/14	(S)	READ THE FIRST TIME - REFERRALS
02/07/14	(S)	L&C
03/04/14	(S)	L&C AT 1:30 PM BELTZ 105 (TSBldg)
03/04/14	(S)	Heard & Held
03/04/14	(S)	MINUTE(L&C)
03/13/14	(S)	L&C AT 1:30 PM BELTZ 105 (TSBldg)

BILL: SB 167

SHORT TITLE: MULTIPLE VEHICLE INSURANCE POLICIES

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

02/10/14	(S)	READ THE FIRST TIME - REFERRALS
02/10/14	(S)	L&C
03/04/14	(S)	L&C AT 1:30 PM BELTZ 105 (TSBldg)
03/04/14	(S)	Heard & Held
03/04/14	(S)	MINUTE(L&C)
03/13/14	(S)	L&C AT 1:30 PM BELTZ 105 (TSBldg)

BILL: SB 156

SHORT TITLE: DIRECT-ENTRY MIDWIVES

SPONSOR(s): SENATOR(s) KELLY

02/05/14 (S) READ THE FIRST TIME - REFERRALS
02/05/14 (S) L&C
03/11/14 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
03/11/14 (S) -- MEETING CANCELED --
03/13/14 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)

BILL: SB 190

SHORT TITLE: DELEGATION OF GUIDE-OUTFITTER DUTIES

SPONSOR(s): SENATOR(s) HUGGINS

02/21/14 (S) READ THE FIRST TIME - REFERRALS
02/21/14 (S) L&C
03/11/14 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
03/11/14 (S) -- MEETING CANCELED --
03/13/14 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)

BILL: SB 140

SHORT TITLE: AIDEA: ARCTIC DEVELOPMENT PROGRAM/FUND

SPONSOR(s): SENATOR(s) MCGUIRE

01/27/14 (S) READ THE FIRST TIME - REFERRALS
01/27/14 (S) L&C, FIN
02/18/14 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
02/18/14 (S) Heard & Held
02/18/14 (S) MINUTE(L&C)
02/25/14 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
02/25/14 (S) -- MEETING CANCELED --
02/27/14 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
02/27/14 (S) -- MEETING CANCELED --
03/11/14 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
03/11/14 (S) -- MEETING CANCELED --
03/13/14 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)

WITNESS REGISTER

SENATOR CATHY GIESSEL
Alaska State Legislature
Juneau, Alaska,

POSITION STATEMENT: Sponsor of SB 166.

JANE CONWAY, Staff
Senator Cathy Giessel
Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: Provided information on SB 166 on behalf of the sponsor.

PATRICIA SENNER, Professional Practice Director
Alaska Nurses Association (ANA)
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 166.

JANA SHOCKMAN, President
Alaska Nurses Association (ANA)
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 166.

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

POSITION STATEMENT: Answered questions related to SB 166.

ASHTON COMPTON, Staff
Senator Charlie Huggins
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Provided information on SB 167 on behalf of the sponsor.

HEATHER SHADDUCK, Staff
Senator Pete Kelly
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Introduced SB 156 on behalf of the sponsor.

SUSAN TERWILLIGER, President
Midwives Association of Alaska
Eagle River, Alaska

POSITION STATEMENT: Testified in support of SB 156.

CHERYL CORRICK, Chair
Board of Certified Direct-entry Midwives
Fairbanks, Alaska

POSITION STATEMENT: Testified in support of SB 167.

DANA BROWN, Director
Alaska Family Health and Birth Center
Fairbanks, Alaska

POSITION STATEMENT: Stated support for SB 156.

JENNITH LUCAS, representing herself
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 156.

SASKIA ESSLINGER, representing herself
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 156.

SARA CHAMBERS, Administrative Operations Manager
Division of Corporations, Business and Professional Licensing
Department of Commerce, Community and Economic Development
Juneau, Alaska

POSITION STATEMENT: Answered questions related to SB 156.

JUDY DAVIDSON, CDM
MatSu Midwifery and Family Health
Wasilla, Alaska

POSITION STATEMENT: Testified in support of SB 156.

KAY KANNE, CDM
Juneau, Alaska

POSITION STATEMENT: Testified in support of SB 156.

MADISON NOLAN, CDM
Juneau, Alaska,

POSITION STATEMENT: Testified in support of SB 156.

GARY ZEPP, Staff
Senator Charlie Huggins
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Reviewed the changes in the CS for SB 190,
Version U.

CABOT PITTS, representing himself
Wasilla, Alaska

POSITION STATEMENT: Testified in support of SB 190.

JOE KLUTSCH, representing himself
King Salmon, Alaska

POSITION STATEMENT: Testified in support of SB 190.

KELLY VREM Chair
Big Game Commercial Services Board
Sutton, Alaska

POSITION STATEMENT: Testified in support of SB 190.

JOE WANT, representing himself
Fairbanks, Alaska

POSITION STATEMENT: Testified in support of the concept of SB 190, but questioned the language in subsection (b)

SENATOR LESIL MCGUIRE
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Sponsor of SB 140.

JESSE LOGAN, Staff
Senator Lesil McGuire
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Reviewed the changes in the CS for SB 140.

MARK DAVIS, Deputy Director
Alaska Industrial Development & Export Authority (AIDEA)
Anchorage, Alaska

POSITION STATEMENT: Provided supporting statements for SB 140.

RON LONG
City of Seward
Seward, Alaska

POSITION STATEMENT: Testified in support of SB 140.

ACTION NARRATIVE

[1:34:20 PM](#)

CHAIR MIKE DUNLEAVY called the Senate Labor and Commerce Standing Committee meeting to order at 1:34 p.m. Present at the call to order were Senators Stedman, Ellis, Olson, and Chair Dunleavy.

SB 166-BOARD OF NURSING; NURSES

[1:35:09 PM](#)

CHAIR DUNLEAVY announced the consideration of SB 166. "An Act relating to nursing and to the Board of Nursing." This was the second hearing and Version Y was before the committee.

[1:35:16 PM](#)

SENATOR CATHY GIESSEL, Alaska State Legislature, Juneau, Alaska, sponsor of SB 166, introduced herself.

[1:35:37 PM](#)

JANE CONWAY, Staff, Senator Cathy Giessel, sponsor of SB 166, reminded the committee that version Y was adopted during the first hearing and that the bill incorporates changes that have been brought to the Board of Nursing for the last 10 years. It updates the statute to keep current with modern technology and best practices. She mentioned the individuals who were available to answer questions.

SENATOR ELLIS asked to hear from Ms. Senner about of the nursing profession's perspective on the bill.

[1:37:31 PM](#)

PATRICIA SENNER, Professional Practice Director, Alaska Nurses Association (ANA), stated that the ANA commented on an early draft of SB 166 at a Board of Nursing meeting and they support the current version.

[1:38:24 PM](#)

JANA SHOCKMAN, President, Alaska Nurses Association (ANA), Anchorage, Alaska, affirmed that the ANA supports SB 166 as written. She offered to answer questions.

[1:38:57 PM](#)

BETH FARNSTROM, Chair, Alaska State Board of Nursing, offered to answer questions related to SB 166.

[1:39:41 PM](#)

DON HABEGER, Director, Division of Corporations, Business and Licensing, Department of Commerce, Community and Economic Development (DCCED), introduced himself.

SENATOR OLSON asked if he had reconsidered his position [opposing] the requirement for the executive administrator of the Alaska State Board of Nursing to hold a master's degree in nursing at a minimum.

MR. HABEGER replied he still believes the division would have more flexibility to recruit and hire if a master's degree in nursing wasn't a requirement in statute. He maintained that a person with a master's degree in nursing home administration could administer a nursing program just as well as someone with a master's degree in nursing.

SENATOR OLSON asked how many actions have been taken against a license in the last two years.

MR. HABEGER recalled that there were about 250 licensure actions in FY13. Responding to a further question, he clarified that these were either consent agreements or board revocations.

SENATOR OLSON asked if the level of education was an issue.

MR. HABEGER replied he recognizes that some expertise is required to execute the level of review that's expected of the executive administrator, but he agrees with current statute that recognizes that a registered nurse (RN) license is sufficient.

CHAIR DUNLEAVY opened and closed public testimony. Finding no further questions or comments, he asked the will of the committee.

[1:43:28 PM](#)

SENATOR MICCICHE moved to report SB 166, Version Y, from committee with individual recommendations and attached fiscal note(s).

CHAIR DUNLEAVY announced that without objection, CSSB 166(L&C) moved from the Senate Labor and Commerce Standing Committee.

[1:44:04 PM](#)

At ease

SB 167-MULTIPLE VEHICLE INSURANCE POLICIES

[1:45:33 PM](#)

CHAIR DUNLEAVY reconvened the meeting and announced the consideration of SB 167. "An Act relating to the maximum amount of uninsured and underinsured coverage payable under multiple motor vehicle insurance policies issued by the same insurer in the same household." He noted that this was the second hearing.

[1:45:48 PM](#)

ASHTON COMPTON, Staff, Senator Charlie Huggins, stated that SB 167 closes a loophole in the insurance statute that allows stacking on some uninsured and underinsured motor vehicle insurance policies. The bill makes a few changes to resolve this inconsistency that unnecessarily forces consumers to purchase insurance that they don't want or need.

[1:47:02 PM](#)

MARTIN HESTER, Deputy Director, Division of Insurance, Department of Commerce, Community and Economic Development (DCCED), introduced himself.

CHAIR DUNLEAVY found no public testimony and closed it. Finding no questions or comments, he solicited a motion.

[1:47:29 PM](#)

SENATOR MICCICHE moved to report SB 167, Version A, from committee with individual recommendations and attached fiscal note(s).

CHAIR DUNLEAVY announced that without objection, SB 167 moved from the Senate Labor and Commerce Standing Committee.

[1:48:07 PM](#)

At ease

SB 156-DIRECT-ENTRY MIDWIVES

[1:49:08 PM](#)

CHAIR DUNLEAVY reconvened the meeting and announced the consideration of SB 156. "An Act relating to direct-entry midwives." He noted that this was the first hearing.

[1:49:27 PM](#)

HEATHER SHADDUCK, Staff, Senator Pete Kelly, introduced SB 156 on behalf of the sponsor speaking to the following sponsor statement:

SB 156 will update and streamline the Certified Direct-entry Midwife ("CDM") practice act. The initial law was enacted in 1992, prior to establishing a functioning Board of Certified Direct-entry Midwives. Due to the lack of a professional board to set ongoing regulations at the time, a detailed set of practices were placed in Alaska Statute. The Board has tried to establish and develop a comprehensive regulatory framework through practice regulations and guidelines crafted to ensure public safety and professional discipline. However, the outdated statute cements certain obsolete practice requirements in place, and can only be updated by an act of the legislature.

SB 156 will neither lessen the regulatory governance of CDMs, nor will it expand their scope of practice. Rather, the bill clarifies regulatory intent and defines CDM scope of practice. SB 156 would give the board greater flexibility and efficiency by placing CDM required practices into regulation rather than

statute. This enables the Board to oversee the profession more effectively and incorporate current nationally-recognized best practices. This type of authority is granted to most professional boards in order to develop and maintain professional practice standards.

The proposed changes in the bill will also ensure greater public safety in the field of midwifery. SB 156 requires a CDM to be licensed and practicing for two years and attend 50 or more births as a primary or assistant midwife in order to supervise an apprentice direct-entry midwife. Well-baby care will also be covered under the scope of CDM practice for up to 4 weeks after birth, which ensures the delivering midwife can properly follow up with both mother and baby. SB 156 repeals the cultural midwives exemption, requiring all CDMs in the state to be licensed and under the disciplinary regulation of the Board of CDMs. Currently, an individual whose cultural traditions have included, for at least two generations, the attendance of midwives at birth, and has assisted in at least 10 births does not fall under regulation of the board. The health and safety of all mothers and babies using midwifery services will be improved by holding all certified direct-entry midwives to a higher level of training and care.

[1:54:06 PM](#)

SENATOR OLSON asked what the current requirement is to become a certified direct-entry midwife.

MS. SHADDUCK clarified that the bill requires a CDM to be licensed and to practice for two years and to attend 50 births as a primary or assistant midwife to qualify to supervise an apprentice direct-entry midwife. She deferred to Cheryl Corrick to discuss the licensing requirements.

SENATOR OLSON asked how many midwives practicing in rural Alaska would be affected by the bill.

MS. SHADDUCK said she didn't have a number but her understanding was that the board brought the provision forward because it hasn't been used as intended.

SENATOR OLSON asked how many rural midwives would be affected.

MS. SHADDUCK said she didn't have a number but it would be very small.

SENATOR OLSON asked if there were complaints that prompted this legislation.

MS. SHADDUCK deferred the question to the representative from the Board of Certified Direct-entry Midwives.

[1:56:31 PM](#)

SUSAN TERWILLIGER, CDM and President, Midwives Association of Alaska (MAA), Eagle River, Alaska, stated support for SB 167. Addressing an earlier question, she clarified that the 50 birth requirement only applies to midwives who seek to be preceptors. The number 50 applies to qualifying as a teacher, not certification to be a CDM.

She said that Alaska has a fairly good midwifery law, but it needs updating for public safety and to keep current with the latest childbirth information and studies. Many Alaskan women seek midwifery care as an option for their pregnancy care and birth and they expect the licensing laws to reflect best practices, she said. Moving the practice requirements that are currently in statute into regulation will make it easier for the board to make additions and updates. The bill also adds to the definition of midwifery that the well-baby care is given up to four weeks and that apprentices are supervised. She said that midwives have been doing this for years but it isn't in statute. She opined that passing the bill gives Alaska the opportunity to be a leader in the nation.

[1:59:12 PM](#)

SENATOR OLSON asked how many births a CDM needs to be eligible for a license.

MS. TERWILLIGER said she didn't know because she received her Alaska license nine years ago through a reciprocity agreement with Texas that only required passing an examination.

SENATOR OLSON asked how many births she'd attended.

MS. TERWILLIGER replied she's attended about 750 births.

SENATOR OLSON asked if complaints prompted the legislation.

MS. TERWILLIGER answered no; it was prompted by years of frustration at not being able to update for best practices.

SENATOR OLSON commented that births have occurred since Cain and Able and he questioned the sudden need to attend 50 births before someone can become a preceptor.

MS. TERWILLIGER explained that both the board and the MAA membership agreed that it was in the profession's best interest to add to the requirement. It's a matter of professionalism, she said.

SENATOR OLSON maintained that this would put midwives practicing in rural areas at a disadvantage.

MS. TERWILLIGER responded that the bill is about the ability to teach other midwives, not practice midwifery.

SENATOR OLSON said teaching needs to take place in rural areas, too, and he was reluctant to prohibit someone from being a preceptor just because they haven't acted as a primary or assistant midwife at 50 births. He again stressed that it puts rural sites at a disadvantage.

MS. TERWILLIGER suggested Ms. Corrick be added to the discussion.

[2:03:42 PM](#)

CHERYL CORRICK, Chair, Board of Certified Direct-entry Midwives, Fairbanks, Alaska, said the board considered that it would be more difficult for midwives in rural areas to attend 50 births but as they looked at professionalism they noticed a trend that the complaints that resulted in investigations were about preceptors who didn't have much experience. This was discussed in board meetings and the MAA made the decision to include this provision in the bill.

SENATOR OLSON observed that there have been complaints that prompted this legislation.

MS. CORRICK responded that she's been on the board for six years and has noticed that trend.

SENATOR OLSON asked how he would find out how many licenses have been revoked or suspended because of complaints.

MS. CORRICK replied there have been no suspensions or revocations imposed during her six-year tenure on the board, but

there have been some memorandums of agreement and other disciplinary measures.

SENATOR OLSON asked how many midwives practice in rural areas and how many would be affected by this legislation.

MS. CORRICK said her understanding was that very few midwives are practicing in rural areas.

[2:07:28 PM](#)

DANA BROWN, Director, Alaska Family Health and Birth Center, Fairbanks, Alaska, stated that she has been licensed since 1993, has served on the board in the past, and was speaking in support of SB 156. She related that during her tenure the board tried to pass regulations to update practices only to have the statute prevent it from happening. She pointed out that the statute was passed many years ago and never updated so it needs to be brought up to current standards.

SENATOR OLSON asked if she had practiced in rural Alaska.

MS. BROWN said no and added that the direct-entry midwives in Alaska generally practice near cities and towns, but serve rural areas. She explained that women who live in villages usually come to town for their births so that they're closer to a hospital.

SENATOR OLSON responded that the bill puts his rural constituents at a disadvantage because precipitous births do occur.

MS. BROWN pointed out that there are no licensed midwives in those areas and the bill doesn't affect a health aide working in a village because they aren't under the jurisdiction of a direct-entry midwife license.

SENATOR OLSON asked if she was saying that there are no certified direct-entry midwives in rural Alaska.

MS. BROWN asked him to define rural.

SENATOR OLSON said he was talking about places like Bethel, Barrow, Kotzebue, or Nome.

MS. BROWN responded that she was not aware of any direct-entry midwives practicing in villages that are off the road system.

[2:11:51 PM](#)

JENNITH LUCAS, representing herself, Anchorage, Alaska, testified in support of SB 156. She said she used a midwife for the births of her children and she knows that they were aware of the most recent studies and best practices for safe childbirth. She described the bill as important for Alaskan consumers.

[2:13:32 PM](#)

SASKIA ESSLINGER, representing herself, Anchorage, Alaska, said she used midwives for the births of her two children. This was the best option for her, but she did notice that the regulations didn't always allow for the most current standards of practice. She said she supports SB 156 because it will allow the board to update and revise the practice guidelines. It will also enhance public safety by requiring more experience for preceptors.

[2:15:07 PM](#)

SARA CHAMBERS, Administrative Operations Manager, Division of Corporations, Business and Professional Licensing, Department of Commerce, Community and Economic Development (DCCED), introduced herself and offered to answer questions.

SENATOR OLSON asked if there were any licensed midwives in rural Alaska.

MS. CHAMBERS replied the division doesn't track licenses that way but she would look at the addresses on the licenses and follow up with the information.

SENATOR OLSON asked how many midwives would be affected by the 50-birth requirement to be a preceptor.

MS. CHAMBERS said it would take additional research to make that determination.

SENATOR OLSON asked how many births are required to qualify for a license.

MS. CHAMBERS suggested he pose the question to Ms. Corrick.

SENATOR OLSON asked if DCCED was in favor of the bill.

MS. CHAMBERS answered that the department didn't have a position.

SENATOR MICCICHE offered his perspective that the current two-year requirement had less value in measuring experience than the proposed 50-birth requirement.

MS. CHAMBERS, responding to an earlier question, reported that there were 62 midwife licensees in FY13 and 8 investigations.

2:20:48 PM

SENATOR MICCICHE asked Ms. Corrick if she agrees with his logic that the number of births has more value than the length of time a person has held a license.

MS. CORRICK agreed that 50 births is more telling of experience. Responding to an earlier question, she relayed that to get licensed as a certified direct-entry midwife the apprentice has to attend 60 births. Ten of the births are observations, 20 are assisting at the birth, and 30 are as the primary provider under the supervision of the preceptor. The licensing process takes approximately two years so a midwife should be able to get the required 50 births within that timeframe. She acknowledged that it would be more difficult for someone who moved to a more rural area, less populated area.

CHAIR DUNLEAVY opened public testimony.

2:23:00 PM

JUDY DAVIDSON, CDM, MatSu Midwifery and Family Health, Wasilla, Alaska, said she's been licensed since 1993 when the state first provided licensure for direct-entry midwives. She said it's important to understand that direct-entry midwives are licensed to provide care to low-risk women and their training includes precipitous births. She and a number of other midwives provide training for people living in other areas and part of the reason for updating the statute is to show that they're qualified as preceptors. She said Alaska has the highest rate of out of hospital births in the nation and it is looked to as an example. Updating the statute shows continued progress to reflect the standard of maternity care that midwives offer.

2:26:21 PM

KAYE KANNE, CDM, Juneau, Alaska, said she's been practicing as a midwife for 30 years and was involved in the 1985 legislation to keep midwifery legal. Legislation passed in 1992 created a board for certified direct-entry midwives and she served on the board for eight years and helped craft the current regulations.

MS. KANNE said she believes that the number of births that a midwife has attended since being licensed is important in terms of having the knowledge to be a preceptor, but the number of years is not important. For example, a former student who has been licensed for eight months has attended 180 births. She's very qualified to be a preceptor, but she can't until she's been licensed for two years.

She explained that the required practices that they're trying to move into regulation were put into statute in 1985 because there wasn't a board and there were no regulations. Now that there's a very well-functioning board it makes sense to move those required practices into regulation so that the board can keep it up to date, she said.

SENATOR OLSON asked if she was in favor of the legislation.

MS. KANNE replied she was definitely in favor of the legislation.

SENATOR OLSON asked if midwives have a requirement for continuing education.

MS. KANNE replied the law requires 20 hours of continuing education per licensing period.

SENATOR OLSON asked where a midwife can get continuing education.

MS. KANNE said there's an annual midwifery conference in Juneau and there are a number of them held every year in other states.

SENATOR OLSON asked if courses were available online.

MS. KANNE answered yes.

SENATOR OLSON asked if she had ever practiced in rural Alaska.

MS. KANNE said she has practiced in Juneau for 30 years serving this community and all of Southeast Alaska.

SENATOR OLSON asked if there were midwives in places like Klawock, Hollis, or Coffman Cove.

MS. KANNE replied she wasn't aware of any.

SENATOR OLSON asked to hear from the recently licensed midwife.

[2:31:41 PM](#)

MADISON NOLAN, CDM, Juneau, Alaska, told the committee that she was an apprentice for three years and was licensed last September.

SENATOR OLSON, noting that she had attended 180 births, asked if she feels qualified to be a preceptor.

MS. NOLAN said she had only attended 40 births since she was licensed so she wouldn't qualify under the proposed 50-birth requirement. She added that for her personal comfort she'd want at least a year of licensure before becoming a preceptor. The time component isn't as important, but it does have some value.

SENATOR OLSON said he'd like to hear from rural hospitals.

CHAIR DUNLEAVY agreed.

[2:33:42 PM](#)

CHAIR DUNLEAVY announced that he would hold SB 156 in committee for further consideration. Public testimony remained open.

SB 190-DELEGATION OF GUIDE-OUTFITTER DUTIES

[2:33:47 PM](#)

CHAIR DUNLEAVY announced the consideration of SB 190. "An Act permitting certain persons who are not licensed by the Big Game Commercial Services Board to provide or assist in providing certain guide services." He noted that this was the first hearing and there was a new committee substitute (CS).

[2:34:02 PM](#)

SENATOR MICCICHE moved to adopt CS for SB 190, labeled 28-LS1466\U, as the working document.

CHAIR DUNLEAVY objected for discussion purposes.

[2:34:23 PM](#)

GARY ZEPP, Staff, Senator Charlie Huggins, reviewed the following changes between Version A and Version U: [Original punctuation provided.]

Section 1 (a), page 1, lines 5-9:

- Lines 5-7, the verbiage was reworded and lines 8 and 9 were deleted because this is already

included in AS 08.54.790 (9)(c) 'Definitions' section.

Section 1(b), page 1, lines 10-14 & continuing on page 2, lines 1-2, the verbiage was reworded to insure the legislation wasn't allowing unlicensed personnel more authority than the licensed personnel.

CHAIR DUNLEAVY removed his objection. Finding no further objection, Version U was adopted.

[2:36:24 PM](#)

MR. ZEPP introduced SB 190 speaking to the following sponsor statement and sectional summary: [Original punctuation provided.]

Senate Bill 190, version U, authorizes a Registered Guide-Outfitter to delegate certain duties to unlicensed personnel, as long as a licensed registered guide-outfitter or class A assistant guide is physically present for certain delegated duties. In addition, it authorizes unlicensed personnel to be compensated for carrying out those delegated duties.

Current Alaska statutes (AS 08.54) prohibit these activities.

Example 1: A registered guide out-fitter cannot hire unlicensed personnel to pack meat from the field and receive compensation.

As you can imagine, it is difficult to find personnel to work for free! This legislation would allow unlicensed personnel, including local residents, to be hired and compensated for packing meat from the field without having to obtain a license.

Example 2: A registered guide-outfitter or a class A assistant guide cannot delegate guide services, for training purposes, to unlicensed personnel to perform certain tasks while either a registered guide-outfitter or class A assistant guide is physically present.

Note: The class A assistant guide must be:

- Employed by and under the supervision of the registered guide-outfitter who contracted for the big game hunt; and
- Be licensed in the game management unit where the hunt is conducted.

This makes it difficult to train and prepare perspective guides to further advance in the Big Game Guiding industry when they cannot be compensated for carrying out those duties. Not many people work for free!

This creates an apprentice structure to allow unlicensed personnel to be prepared for and qualify for the 'assistant guide' level in the industry.

Under current statutes: An assistant guide candidate must have at least 60 days of Alaska hunting experience and 30 days must be in a hunting camp being instructed by a licensed guide-outfitter.

In summary, it is difficult to find personnel to work for free and it also makes it difficult to train and prepare perspective guides for a future in the industry.

Sectional Summary

Section 1. Adds a new statutory section, AS 08.54.635, that allows the Big Game Commercial Services Board to adopt regulations permitting a registered guide-outfitter to delegate certain guide services to a person not licensed under AS 08.54. Provides what guide services may be delegated. Establishes conditions on the delegation of services. Permits unlicensed persons to assist in providing certain guide services. Requires unlicensed persons to meet standards adopted by the board before providing, or assisting in providing, guide services. Permits unlicensed persons providing or assisting in providing guide services to be compensated.

Section 2. Conforms AS 08.54.720(a) to the addition of AS 08.54.635 in sec. 1 of the bill.

Section 3. Amends AS 08.54.740(a) to provide that a registered guide-outfitter is equally responsible for a violation of a state or federal wildlife, game, or

guiding statute or regulation committee by a person while that person provides guide services for the guide-outfitter under the new section AS 08.54.635.

[2:39:27 PM](#)

SENATOR OLSON asked if there was any opposition to the bill.

MR ZEPP replied he hadn't heard anything negative.

SENATOR OLSON asked if affected guides had voiced support or opposition.

MR. ZEPP replied he reached out to all the stakeholders he was aware of including the Alaska Wildlife Troopers, the professional licensing operations manager for DCCED, the Big Game Commercial Services Board, the Alaska Outdoor Council, Safari Club International, and the Alaska Professional Hunters Association. So far he's heard nothing but support.

[2:41:17 PM](#)

CABOT PITTS, representing himself, Wasilla, Alaska, said he's a registered guide and outfitter and a member of Alaska Professional Hunters Association. He plans to use packers in his business and believes that they need to be compensated for their work. He asked the committee to support SB 190.

[2:42:24 PM](#)

JOE KLUTSCH, representing himself, King Salmon, Alaska, testified in support of SB 190. He said he's been a guide for 34 years and he started as a packer. Most of the best guides and many of the Native guides were packers before they became registered and master guides. He described the bill as a technical correction to solve the problem facing both registered guides and the packers that help them.

SENATOR OLSON asked if he'd had any trouble with citations and overly aggressive game wardens.

MR. KLUTSCH replied he wasn't aware of anything like that.

[2:45:43 PM](#)

KELLY VREM Chair, Big Game Commercial Services Board, Sutton, Alaska, testified in support of SB 190. He said he's been a guide or assistant guide since 1973 and packers have had a history in guiding since before statehood. It has always been the accepted practice to hire a packer and the assumption was that it was legal. It was therefore quite a surprise to learn

that the practice was illegal. SB 190 will legitimize this long-standing practice in the guiding industry, he said.

He explained that in 1989 and 1990 the Alaska Senate formed a task force on guiding that defined transporters and guides and the privileges for each one. They decided that entry-level guides and/or laborers didn't rise to the level of licensure, but this wasn't clarified in the definition section, AS 08.54.790. He said the bill is a technical correction and he'd heard no objection.

MR. VREM suggested inserting the term "assistant guide" on page 2, line 1, to allow that person to supervise a trainee.

[2:48:35 PM](#)

JOE WANT, representing himself, Fairbanks, Alaska, said he doesn't disagree with the concept of the legislation, but the wording in subsection (b) gives too much latitude to the guide that is delegating authority. He stressed that a packer should not be directly involved in the kill and that the packer should not make decisions with the client. The guide should make the decisions.

[2:51:50 PM](#)

CHAIR DUNLEAVY announced he would hold SB 190 in committee for further consideration. Public testimony was open.

SB 140-AIDEA: ARCTIC DEVELOPMENT PROGRAM/FUND

[2:52:04 PM](#)

CHAIR DUNLEAVY announced the consideration of SB 140. He noted that this was the second hearing and that there was a new committee substitute (CS).

[2:52:39 PM](#)

SENATOR MICCICHE moved to adopt CS for SB 140, labeled 28-LS1246\R as the working document.

CHAIR DUNLEAVY objected for discussion purposes.

[2:53:10 PM](#)

JESSE LOGAN, Staff, Senator Lesil McGuire, sponsor of SB 140, reviewed the following changes found in Version R:

Section 1. 44.88.088(a)

Page 1, Line 5 thru Page 2, Line 19

- This section of existing statute establishes that the Alaska Industrial Development and Export Authority (AIDEA) shall adopt a policy for payment of a dividend to the state each fiscal year from two existing funds.
- Line 9: adds the Arctic infrastructure development fund (AIDF) (AS 44.88.810) to the list of funds that repay a dividend each year to the state.
- Page 2, Lines 14- 19 defines the amount of the dividend from the AIDF: the dividend may not be less than 25% nor more than 50% of the net income of the fund.
- This section puts the AIDF in-line with AIDEA's revolving fund and sustainable energy transmission and supply development fund (SETS).

Section 2. AS 44.88.088(b)(2)

Page 2, Lines 20-29

- This section of existing statute defines "net income"
 - Lines 24-26: inserts the Arctic infrastructure development fund

Section 3. AS 44.88.088(b)(3)

Page 2, line 30 thru Page 3, line 7

- This section defines "unrestricted net income" for the purposes of this chapter.
- Page 3, lines 3-4: inserts the Arctic infrastructure development fund

Sections 4-9: No change

Section 10. AS 44.88

Page 6, line 5:

- Following "fund"
 - Insert: "by a majority vote of the members of the authority under AS 44.88.050 from any other fund controlled"
 - This change clarifies that AIDEA is authorized to transfer money or assets from other funds it controls if there is a majority vote of the members, which constitutes and action of the Board of Directors.

Page 7, Line 11:

- Delete: "an application"
- Insert: "a"
 - This reduces the encumbrance of an application being filled out, but the due diligence on the applicant and the project remain unchanged.

Page 7, Line 23:

- Delete: "30"
- Insert: "40"
 - This number is more appropriate for infrastructure.

Page 7, Line 27 thru Page 8, Line 1

- 44.88.840 now includes this language pertaining to AS 44.88.900(19)(B)
 - 44.88.840(d) sets a floor or minimum amount for loans or bond guarantees for certain activities so that this program does not compete with existing state financing programs related to fisheries.

Section 11. AS 44.88.900

Page 8, Line 7-14: A new definition of "Arctic Infrastructure Development" is established.

- (19) "Arctic infrastructure development" means
 - (A) the construction, improvement, rehabilitation, or expansion **of a facility** [IN THE ARCTIC OF A PORT, ROAD, ENERGY PROJECT, HANGAR, OR FACILITY TO AID IN DEVELOPMENT OR MEET EMERGENCY RESPONSE NEEDS].
 - (i) **In the Arctic to aid in development or meet emergency response needs; or**
 - (ii) **In the state if the construction, improvement, rehabilitation, or expansion supports or furthers the development of a facility in the Arctic.**
- The removal of the list of types of facilities was done to ensure that the list was inclusive, rather than exclusive, of unforeseen future infrastructure needs.
- The addition of AS 44.88.900(19)(b) was done to ensure that the fund was authorized to help finance infrastructure needs in all areas of the state that may be necessary to support the development of infrastructure in the Arctic.

Page 8, Lines 15-19:

- Additional language added pertaining to fisheries:
 - 44.88.900(19)(B)
 - The purchase or repair of a fishing vessel for use in an federally managed fishery, the purchase of quota shares or individual fishing quota used in a federally managed fishery in the Arctic, or the construction, improvement, rehabilitation, or expansion of a plant, facility, or equipment used in support of a fishery in the Arctic.
 - This language allows the AIDF to support fisheries in the Arctic.

[2:55:39 PM](#)

CHAIR DUNLEAVY removed his objection. There being no further objection, Version [R] was adopted.

[2:55:59 PM](#)

At ease.

[2:56:11 PM](#)

CHAIR DUNLEAVY reconvened the meeting.

SENATOR OLSON thanked the sponsor for bringing the bill forward.

[2:56:45 PM](#)

SENATOR MICCICHE directed attention to the limitations on financing provision in Sec. 44.88.840 on page 7, line 15. He asked for a description of the provisions in paragraphs (1) and (2) in subsection (a).

SENATOR MCGUIRE said her understanding was that without legislative approval, AIDEA could use the Arctic infrastructure development fund to make a loan for less than one-third of the capital cost of an Arctic infrastructure project or AIDEA could make a loan guarantee for less than \$20 million. She deferred further explanation to AIDEA.

SENATOR MICCICHE asked AIDEA to describe the provisions.

[2:58:31 PM](#)

MARK DAVIS, Deputy Director, Alaska Industrial Development & Export Authority (AIDEA), Anchorage, Alaska, explained that the limitations are designed so that AIDEA is always working with the private sector on these types of financing. The explanation

for the one-third limitation on the loan is that AIDEA would like to use private sector lending whenever possible. The idea behind the \$20 million cap on the loan guarantee is to ensure that AIDEA's bonding capability remains intact. He noted that the legislature could waive either of those limitations and they were waived last session in Senate Bill 23 in support of the Interior Energy Project. AIDEA feels it is appropriate to obtain legislative approval for very large projects like that.

[3:01:03 PM](#)

SENATOR MICCICHE moved to adopt Amendment 1, labeled 28-LS1246\R.2.

AMENDMENT 1

OFFERED IN THE SENATE BY SENATOR MICCICHE

TO: CSSB 140(), Draft Version "R"

Page 7, following line 26:

Insert a new subsection to read:

"(d) Notwithstanding (a) of this section, the authority may not provide financing or loans or bond guarantees in an amount less than \$7,000,000 for the purchase or repair of a fishing vessel used in a federally managed fishery, the purchase of quota shares or individual fishing quota used in a federally managed fishery in the Arctic, or the construction, improvement, rehabilitation, or expansion of a plant, facility, or equipment used in support of a state-managed fishery in the Arctic."

Page 8, line 1, following "means":

Insert "(A)"

Page 8, line 3:

Delete "(A)"

Insert "(i)"

Page 8, line 5:

Delete "(B)"

Insert "(ii)"

Page 8, line 6, following "Arctic":

Insert "; or

(B) the purchase or repair of a fishing vessel for use in a federally managed fishery, the purchase of quota shares or individual fishing quota used in a federally managed fishery in the Arctic, or the construction, improvement, rehabilitation, or expansion of a plant, facility, or equipment used in support of a state-managed fishery in the Arctic"

CHAIR DUNLEAVY objected for discussion purposes.

SENATOR MICCICHE read the amendment.

SENATOR OLSON asked if the sponsor supported the amendment.

SENATOR MCGUIRE said she did support the amendment.

[3:02:10 PM](#)

SENATOR STEDMAN asked the purpose of the amendment.

SENATOR MICCICHE explained that the amendment allows support for Arctic infrastructure and Arctic-related projects for ports that support the Arctic but aren't located in the Arctic but.

SENATOR OLSON asked if the fiscal note would be affected.

SENATOR MICCICHE replied it doesn't change the fiscal note.

SENATOR OLSON asked if AIDEA supported the amendment.

MR. DAVIS said AIDEA generally supports the amendment but would suggest on page 1, line 8, striking the term "state-managed" because AIDEA supports both federal and state-managed fisheries.

[3:04:27 PM](#)

SENATOR STEDMAN asked if that change was acceptable to the amendment sponsor.

[3:05:03 PM](#)

At ease

[3:06:27 PM](#)

CHAIR DUNLEAVY reconvened the meeting.

SENATOR MICCICHE said he doesn't object to the suggested revision.

CHAIR DUNLEAVY asked if there was any objection to the amendment to the amendment.

[3:07:12 PM](#)

At ease

[3:07:41 PM](#)

SENATOR MICCICHE withdrew his motion to adopt Amendment 1, labeled 28-LS1246\R.2.

SENATOR MICCICHE moved to adopt 28-LS1246\R.2 as amended.

AMENDMENT 2

OFFERED IN THE SENATE BY SENATOR MICCICHE

TO: CSSB 140(), Draft Version "R"

Page 7, following line 26:

Insert a new subsection to read:

"(d) Notwithstanding (a) of this section, the authority may not provide financing or loans or bond guarantees in an amount less than \$7,000,000 for the purchase or repair of a fishing vessel used in a federally managed fishery, the purchase of quota shares or individual fishing quota used in a federally managed fishery in the Arctic, or the construction, improvement, rehabilitation, or expansion of a plant, facility, or equipment used in support of a state-managed fishery in the Arctic."

Page 8, line 1, following "means":

Insert "(A)"

Page 8, line 3:

Delete "(A)"

Insert "(i)"

Page 8, line 5:

Delete "(B)"

Insert "(ii)"

Page 8, line 6, following "Arctic":

Insert "; or

(B) the purchase or repair of a fishing vessel for use in a federally managed fishery, the

purchase of quota shares or individual fishing quota used in a federally managed fishery in the Arctic, or the construction, improvement, rehabilitation, or expansion of a plant, facility, or equipment used in support of a fishery in the Arctic"

CHAIR DUNLEAVY objected for discussion purposes.

SENATOR MICCICHE explained that the foregoing discussion was to remove the term "state-managed" from page 1, line 8, of the original amendment, 28-LS1246\R.2. There was no other change.

CHAIR DUNLEAVY removed his objection and opened public testimony.

[3:09:40 PM](#)

RON LONG, City of Seward, stated support for SB 140 as amended, consistent with their testimony on the original bill.

[3:10:11 PM](#)

CHAIR DUNLEAVY closed public testimony.

[3:10:21 PM](#)

SENATOR STEDMAN moved to report CS for SB 140, as amended, from committee with individual recommendations and attached fiscal note(s).

CHAIR DUNLEAVY announced that without objection, CSSB 140(L&C) moved from the Senate Labor and Commerce Standing Committee.

[3:10:35 PM](#)

At ease

[3:10:48 PM](#)

CHAIR DUNLEAVY reconvened the meeting and discussed the committee schedule for the following week.

[3:11:02 PM](#)

There being no further business to come before the committee, Chair Dunleavy adjourned the Senate Labor and Commerce Standing Committee meeting at 3:11 p.m.