

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

February 9, 2018

3:21 p.m.

**MEMBERS PRESENT**

Representative Sam Kito, Chair  
Representative Adam Wool, Vice Chair  
Representative Andy Josephson  
Representative Louise Stutes  
Representative Chris Birch  
Representative Colleen Sullivan-Leonard

**MEMBERS ABSENT**

Representative Gary Knopp  
Representative Mike Chenault (alternate)  
Representative Bryce Edgmon (alternate)

**COMMITTEE CALENDAR**

HOUSE BILL NO. 318

"An Act extending the termination date of the Board of Social Work Examiners; and providing for an effective date."

- HEARD & HELD

HOUSE BILL NO. 277

"An Act relating to the regulation of broadband Internet; and making certain actions by broadband Internet service providers unlawful acts or practices under the Alaska Unfair Trade Practices and Consumer Protection Act."

- HEARD & HELD

PRESENTATION: TEMPORARY SPECIALTY DENTISTRY

- HEARD

**PREVIOUS COMMITTEE ACTION**

BILL: HB 318

SHORT TITLE: EXTEND: BOARD OF SOCIAL WORK EXAMINERS

SPONSOR(S): REPRESENTATIVE(S) SPOHNHOLZ

01/31/18 (H) READ THE FIRST TIME - REFERRALS  
01/31/18 (H) L&C, FIN  
02/09/18 (H) L&C AT 3:15 PM BARNES 124

BILL: HB 277

SHORT TITLE: BROADBAND INTERNET: NEUTRALITY/REGULATION  
SPONSOR(S): REPRESENTATIVE(S) KAWASAKI

01/12/18 (H) PREFILE RELEASED 1/12/18  
01/16/18 (H) READ THE FIRST TIME - REFERRALS  
01/16/18 (H) L&C, FIN  
02/09/18 (H) L&C AT 3:15 PM BARNES 124

**WITNESS REGISTER**

TED MADSEN, Staff  
Representative Ivy Spohnholz  
Alaska State Legislature  
**POSITION STATEMENT:** Presented HB 318 on behalf of Representative Spohnholz, prime sponsor.

KRIS CURTIS, Legislative Auditor  
Legislative Budget and Audit  
Legislative Agencies and Offices  
Juneau, Alaska  
**POSITION STATEMENT:** Presented sunset audit findings related to HB 318.

DANIELLE LAFON, Chair  
Board of Social Work Examiners  
Division of Corporations, Business and Professional Licensing  
(DCBPL)  
Department of Commerce, Community, and Economic Development  
(DCCED)  
Fairbanks, Alaska  
**POSITION STATEMENT:** Testified in support of HB 318.

LAURA MORTEN  
Licensed Social Worker  
Fairbanks, Alaska  
**POSITION STATEMENT:** Testified in support of HB 318.

JANEY MCCULLOUGH, Director  
Division of Corporations, Business, and Professional Licensing  
(DCBPL)  
Department of Commerce, Community, and Economic Development  
(DCCED)

Juneau, Alaska

**POSITION STATEMENT:** Answered questions in the hearing on HB 318.

ELIZABETH WILLIAMS

National Association of Social Workers

Bethel, Alaska

**POSITION STATEMENT:** Testified in support of HB 318.

REPRESENTATIVE SCOTT KAWASAKI

Alaska State Legislature

Juneau, Alaska

**POSITION STATEMENT:** Presented HB 277 as prime sponsor.

JAKE GERRISH, Staff

Representative Scott Kawasaki

Alaska State Legislature

Juneau, Alaska

**POSITION STATEMENT:** Answered questioned on HB 277 on behalf of Representative Kawasaki, prime sponsor.

TARA RICH, Legal and Policy Director

ACLU of Alaska

Anchorage, Alaska

**POSITION STATEMENT:** Testified in the hearing on HB 277.

JERRY KEEGAN

CTIA, Trade Association for Wireless Industry

Washington, D.C.

**POSITION STATEMENT:** Testified in opposition to HB 277.

JACK BARNEY

Self

Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of HB 277.

CHARLES MCKEE

Self

Anchorage, Alaska

**POSITION STATEMENT:** Testified in the hearing on HB 277.

LEON JAIMES

Self

Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of HB 277.

SANTA CLAUS

Self

North Pole, Alaska

**POSITION STATEMENT:** Testified in support of HB 277.

GEORGE PIERCE

Self

Kasilof, Alaska

**POSITION STATEMENT:** Testified in the hearing on HB 277.

DR. DAVID LOGAN, Executive Director

Alaska Dental Society

Juneau, Alaska

**POSITION STATEMENT:** Presented on Temporary Specialty Dentistry.

DAVID NIELSON

Alaska State Dental Board

Anchorage, Alaska

**POSITION STATEMENT:** Testified in the presentation on temporary dental licenses.

#### **ACTION NARRATIVE**

[3:21:11 PM](#)

**CHAIR SAM KITO** called the House Labor and Commerce Standing Committee meeting to order at 3:21 p.m. Representatives Kito, Wool, Josephson, Sullivan-Leonard, and Birch were present at the call to order. Representative Stutes arrived as the meeting was in progress.

#### **HB 318-EXTEND: BOARD OF SOCIAL WORK EXAMINERS**

[3:22:34 PM](#)

CHAIR KITO announced that the first order of business would be HOUSE BILL NO. 318, "An Act extending the termination date of the Board of Social Work Examiners; and providing for an effective date."

[3:22:55 PM](#)

TED MADSEN, Staff, Representative Ivy Spohnholz, presented HB 318 on behalf of Representative Spohnholz, prime sponsor. He paraphrased the sponsor statement, which reads as follows [original punctuation provided]:

House Bill 318 extends the Board of Social Work Examiners (board) to June 30, 2026 in accordance with

the recommendation with the Division of Legislative Audit.

The board is composed of five members including two licensed clinical social workers, one licensed master social worker, one licensed baccalaureate social worker, and one public member who has never been licensed by the board. Further, Alaska statutes mandate that one of the licensed board members may not be an employee of a federal, state, or local government, or a nonprofit organization. The board regulates over 775 licensed social workers as of March 2017.

The duties of the board include issuing licenses to qualified applicants, establishing continuing education requirements and a code of professional ethics and standards, creating standards for supervisors and supervision, and adopting regulations as necessary.

The Division of Legislative Audit reviewed the operations of the board and concluded that the board is serving the public's interest by effectively licensing and regulating the profession.

The board is currently scheduled to sunset on June 30, 2018 and will have one year to conclude its operations unless the legislature extends the termination date. House Bill 318 mirrors the recommendations of the Division of Legislative Audit, and extends the termination date until June 30, 2026.

[3:24:20 PM](#)

KRIS CURTIS, Legislative Auditor, Legislative Budget and Audit, Legislative Agencies and Offices, presented the October 2017 audit findings. She began by paraphrasing from report conclusions in "A Sunset Review of the Department Commerce, Community and Economic Development Board of Social Work Examiners (board)" [included in committee packet], which reads as follows [original punctuation provided]:

The audit concluded that the board operated in the public's interest by effectively licensing and regulating social workers. Board meetings were

conducted in compliance with law, investigations were generally processed timely, and the board issued or changed regulations to improve the profession.

In accordance with AS 08.03.010(c)(21), the board is scheduled to terminate on June 30, 2018. We recommend that the legislature extend the board's termination to June 30, 2026.

MS. CURTIS informed there were 783 licenses for a 41 percent increase since the 2009 sunset audit. She said the board had a \$95 thousand surplus at the end of fiscal year 2017 (FY 17).

MS. CURTIS outlined the two recommendations. Recommendation 1 is that DCBPL's director should improve procedures to ensure board-required documentation is obtained prior to licensure. She said 1 in 25 tested licenses contained an error. Recommendation 2 is that the Office of the Governor's Boards and Commissions staff should work with the board to identify potential applicants for the board's vacant clinical social worker position. The position had been open for some time, and statutes require that one of the five board members must be a social worker who is not employed by a federal, state, or local government or a federally tax-exempt non-profit organization. She added that Boards and Commissions staff had communicated that the stringent requirements make it difficult to find qualified applicants.

MS. CURTIS presented the audit responses. She stated the Office of the Governor agrees with the audit recommendations and encouraged the board to find a legislative fix to the stringent position requirements; the department agrees with both recommendations, but believes additional supervisory resources are required to meet standards for the quality checks outlined in Recommendation 1; and the board agrees with both recommendations.

[3:27:40 PM](#)

REPRESENTATIVE BIRCH asked how many of the 783 licensees work for the state or federal government.

MS. CURTIS stated there had been lengthy discussion amongst the auditors about how many of the licensees were state employees, and it had been determined that not many licensees work for the Office of Children's Services (OCS). The auditors had found

that most licensees worked for schools, hospitals, and non-profit organizations.

REPRESENTATIVE BIRCH asked whether the distribution of the board reflects the licensees' employment.

MS. CURTIS answered the audit did not go into that level of detail.

[3:30:00 PM](#)

DANIELLE LAFON, Chair, Board of Social Work Examiners, Division of Corporations, Business and Professional Licensing (DCBPL), Department of Commerce, Community, and Economic Development (DCCED), testified in support of HB 318. She said she believes the board serves its purpose in ensuring the social workers in the state are receiving necessary education, passing exams, and maintaining licensure through continuing education. She stated she agrees with the audit findings and added Recommendation 1 will be discussed at the next board meeting in March [2018]. She informed that the clinical social worker position in Recommendation 2 has since been filled.

[3:31:14 PM](#)

REPRESENTATIVE BIRCH asked whether the distribution of the board membership reflects the type of work the licensees carry out.

MS. LAFON answered it was unknown, adding that social workers are largely found in non-profit organizations. She said she did not believe any of the board members were working for the state.

REPRESENTATIVE BIRCH stated he thought it was peculiar that one of the members could not work for the state.

[3:33:07 PM](#)

REPRESENTATIVE WOOL asked what percentage of the membership is in private practice.

MS. LAFON answered it was not clear if he was referring to board members or licensees. She added that one of the board members works for a private entity.

REPRESENTATIVE WOOL clarified he was asking about licensees, not the board members.

MS. LAFON answered the board does not track where licensees work.

[3:34:27 PM](#)

LAURA MORTEN, Licensed Social Worker, testified in support of HB 318.

[3:35:11 PM](#)

CHAIR KITO asked for any information on the ability of state employees to participate in licensing boards.

JANEY McCULLOUGH, Director, Division of Corporations, Business, and Professional Licensing (DCBPL), Department of Commerce, Community, and Economic Development (DCCED), answered that all boards have different requirements set out by statute. She stated the division does not track where its licensees are employed.

CHAIR KITO asked whether Ms. McCullough was aware of any state employees who are licensed professionals and are serving on boards.

MS. McCULLOUGH answered she knew of state employees who serve on boards that are different from the profession for which they are licensed.

[3:37:14 PM](#)

CHAIR KITO opened public testimony on HB 318.

[3:37:22 PM](#)

ELIZABETH WILLIAMS, National Association of Social Workers, testified that the National Association of Social Workers supports HB 318.

HB 318 was held over.

**HB 277-BROADBAND INTERNET: NEUTRALITY/REGULATION**

[3:38:25 PM](#)

CHAIR KITO announced that the next order of business would be HOUSE BILL NO. 277, "An Act relating to the regulation of broadband Internet; and making certain actions by broadband

Internet service providers unlawful acts or practices under the Alaska Unfair Trade Practices and Consumer Protection Act."

3:38:45 PM

REPRESENTATIVE SCOTT KAWASAKI, Alaska State Legislature, presented HB 277 as prime sponsor. He paraphrased the sponsor statement, which reads as follows [original punctuation provided]:

HB 277 would require Internet Service Providers (ISPs) who provide broadband Internet to Alaskan families engage in the practice of net neutrality. The bill would make sure all data on the Internet is treated equally. It would protect small businesses from uncompetitive practices and guarantee an open and free internet for all users.

Without net neutrality, ISPs may legally speed up certain sites, slow down others, block sites all together, and require certain users to pay more for Internet fast lanes. The elimination of net neutrality gives ISPs the power to determine what websites consumers could visit and what content website creators could share. Allowing ISPs to discriminate based on content undermines a free and open Internet.

On multiple occasions, millions of Americans have publicly commented in favor of protecting net neutrality and have spoken out against the recent Federal Communications Commission order to eliminate net neutrality rules implemented in 2015. The internet is a modern necessity for individuals and businesses. Net neutrality is widely supported by consumer rights groups, privacy groups, and businesses organizations.

This bill would ensure that the Internet remains a platform for unrestricted economic competition and free communication. I respectfully request your support for HB 277.

3:40:50 PM

REPRESENTATIVE KAWASAKI paraphrased from "Fast Facts for Conservatives on Net Neutrality," [included in committee packet] published by the Christian Coalition [original punctuation provided], which reads as follows:

"Net neutrality" policies helped create the most free and fair marketplace in history, allowing consumers to choose the winners and losers in a competitive marketplace. This resulted in the best ideas, products and services rising to top.

The Internet currently provides a megaphone for political expression by virtue of the fact that every site, no matter how obscure, is just as accessible to every individual as any site with a multi-million dollar budget. Every American has the opportunity to create their own site and say what they want to the entire world.

Politicians that are sitting idle and empowering cable and phone monopolies to have power over what consumers can see on the Internet are some of the same politicians that would criticize countries such as China for not allowing its citizens to be exposed to the free market of ideas represented on the web.

Congress has wisely decided many times in the past to avoid stunting the growth of the Internet via new taxation. They should follow the same logic in this case and not allow the cable and phone companies to stunt its growth with new fees and content based discrimination. In the end, the losers will be consumers, businesses and those who use the Internet for political expression.

[3:42:30 PM](#)

REPRESENTATIVE JOSEPHSON asked for more information.

REPRESENTATIVE KAWASAKI explained it was a position paper issued in 2015 when the debates on net neutrality began.

[3:43:17 PM](#)

REPRESENTATIVE SULLIVAN-LEONARD stated the federal government was enacting the policy and asked whether the bill would set apart the state to make its own mandate or whether federal guidelines would still have to be followed.

REPRESENTATIVE KAWASAKI specified net neutrality was in effect following the debate in 2015, then in December 2017 net

neutrality was repealed at the Federal Communications Commission (FCC). He stated Congress has been looking at enacting bipartisan legislation to uphold net neutrality. He said 30 states have introduced legislation very similar to HB 277. He added that 2 governors have signed executive orders that net neutrality shall be the law of the land in their states, and 24 governors and attorneys general have entered litigation against the federal government. He said the question was premature as it had not yet been litigated.

[3:45:15 PM](#)

CHAIR KITO asked how the current situation is different from what was happening prior to 2015.

REPRESENTATIVE KAWASAKI answered there had been a significant lawsuit filed against a large company engaging in the practices outlined in HB 277.

REPRESENTATIVE WOOL asked whether the proposed bill would stipulate that the state "can't throttle up and throttle down different aspects of the internet pipe" and whether there was an entity "further up the line" that could.

REPRESENTATIVE KAWASAKI clarified that the state doesn't "throttle up or down," but the state would be saying the internet service providers (ISPs) operating within the state would have to treat all internet activity as it is treated under net neutrality and could not throttle speeds or block websites.

REPRESENTATIVE WOOL asked if the ISPs in the state are getting internet from a parent company outside the state that could throttle speeds.

[3:48:20 PM](#)

JAKE GERRISH, Staff, Representative Scott Kawasaki, Alaska State Legislature, answered questions on HB 277 on behalf of Representative Kawasaki, prime sponsor. He explained ISPs in Alaska are connected to other ISPs, called "backbone providers," which theoretically could slow down services to the secondary ISPs. He underlined that with net neutrality protections, all ISPs would be under the same regulations so that no company could slow down service for end users.

REPRESENTATIVE WOOL asked whether, if the federal government does not pass net neutrality legislation, a backbone provider

delivering content to an instate provider could lower speeds for the local ISP.

MR. GERRISH answered that could be a possibility.

[3:50:37 PM](#)

REPRESENTATIVE JOSEPHSON asked whether it was Mr. Gerrish's understanding that a state under its sovereign authority could dispense with constitutional issues about the powers of the FCC and regulate and control the speeds of its internet users internally. He spoke to principals of federal constitutional law and gave the example of yoghurt that comes into the state, which can be regulated by the federal government as it travels interstate. He asked whether the question had been considered

MR. GERRISH answered that it had been considered and pointed out that similar legislation is being litigated in other states and they are further ahead in the process. He suggested that seeing how those cases are decided would inform how to move forward.

[3:52:18 PM](#)

CHAIR KITO spoke to differences in telecommunication providers in Alaska. He gave the example of AT&T and GCI and asked whether, if the proposed bill were to pass but net neutrality was not passed at a national level, GCI would be at a disadvantage in competition with AT&T as GCI could not change their capacity in response to users, but AT&T could.

MR. GERRISH answered that he did not think so because the backbone providers that both companies rely on are outside of the state. He said the internet was "just a series of tubes" transferring information from one location to another and the backbone providers rely on similar fiberoptic and copper cables.

CHAIR KITO asked who the backbone providers are.

MR. GERRISH shared his understanding that those companies can be larger companies as well as non-profits such as the University of Maryland.

CHAIR KITO said he was not sure at what point the proposed bill would provide protections for the organizations, individuals, or companies moving the data.

[3:55:37 PM](#)

REPRESENTATIVE BIRCH spoke to regulation in the phone industry. He opined deregulation helped the phone industry to lower costs and innovate. He asked whether Mr. Gerrish saw any disadvantage to eliminating the competition.

[3:58:19 PM](#)

MR. GERRISH paraphrased from "Fast Facts for Conservatives on Net Neutrality," which reads as follows [original punctuation provided]:

"Net neutrality" policies helped create the most free and fair marketplace in history, allowing consumers to choose the winners and losers in a competitive marketplace. This resulted in the best ideas, products and services rising to top."

MR. GERRISH added that net neutrality allows the internet to act as the marketplace. He posited that eliminating net neutrality would hand over the power to the ISPs to regulate access to websites and thereby distort the market.

REPRESENTATIVE BIRCH responded that he felt the power of the consumer to choose from multiple competitors was being ignored. He gave the analogy of a supermarket and stated he could choose to frequent a store where he gets better service at better prices. He added he was concerned about eliminating competition and that he would prefer to let it be a consumer-driven decision.

[4:00:43 PM](#)

REPRESENTATIVE JOSEPHSON said it seemed that the intent of HB 277 was to encourage open competition and what the FCC did was to create inequality between the vendors rather than create an equal playing field. He posited the proposed bill is a conservative bill aimed at deregulation. He asked whether that was correct.

MR. GERRISH answered that was the intention of the proposed bill. He pointed out the broad support for the legislation, from the Christian Coalition to ACLU. He spoke to the concern regarding market choice and the idea that the consumers want to keep the internet free and open and would not purchase the service of an ISP that hinders that. He suggested that when the

first ISP starts charging for priority lanes, all the others will have to do the same to stay competitive.

4:03:05 PM

CHAIR KITO spoke to Representative Josephson's statement that the aim of the proposed bill is to provide an equal playing field through deregulation, but he said he thought net neutrality was a regulation. He pointed to page 1, line 13, of the new bill language and asked what "utility" means in the context of the proposed legislation.

MR. GERRISH answered that in the language "utility" refers to broadband internet access services.

CHAIR KITO suggested the state does not have the ability to restrict any national companies' activities and he wanted to be certain the proposed bill would be creating an even playing field for local ISPs.

4:06:40 PM

TARA RICH, Legal and Policy Director, ACLU of Alaska, testified in the hearing on HB 277. She presented as an analogy that "it would be really shocking" if telephone companies were permitted to make a connection worse if a customer was talking to a certain person the company doesn't like or were speaking about certain subjects. She underlined net neutrality means a company that connects consumers to the internet does not get to control what one does on the internet, including not blocking or throttling content or connections. She explained that throttling refers to intentional slowing of a connection unless for reasonable network management purposes. She said net neutrality does not allow for paid prioritization. She stated net neutrality rules prevent ISPs from "unreasonably disadvantaging" an end user's content on the internet. She put forward that while those standards are not verbatim in the proposed bill, they are what is referred to as net neutrality.

MS. RICH gave some history of telephone regulation. She explained voice over IP (VOIP) interrupted the telephone service business model and lead to company mergers and bundled services for internet, cable, and telephone. She stated that currently the disruption is from video streaming services (Netflix, Hulu) so that cable products are now coming through internet services at much lower prices. She underlined that now that the internet has grown to become one of the primary means of communication,

having meaningful rules to protect communication from censorship is critical.

MS. RICH relayed AT&T censored a live stream of a Pearl Jam concert, silencing the part of the concert in which Eddie Vedder mentioned President George W. Bush, as it was deemed too controversial. She added Verizon Wireless blocked text messages from pro-choice advocacy group, NARAL. In Canada, a company called Telus blocked the website of a union with which it was engaged in a labor dispute.

4:12:05 PM

MS. RICH responded to Representative Josephson's concerns that a state law that regulates primarily outside entities might be subject to preemption concerns or concerns under the U.S. Constitution regarding the commerce clause. She described preemption of a broad field of regulation which belongs to the federal government, including immigration. She stated this type of service has never been deemed to be the sole domain of the federal government, and that states regulate them consistently. She went on to discuss conflict preemption as in Section 253 of Title 47 of United States Code, which says that states should not have the ability to prohibit an entity from providing intrastate telecommunications service. She highlighted the exception for rules which are in place to ensure continued quality of service or to safeguard the rights of the consumers. She reiterated there is not a conflict preemption concern. Additionally, with respect to the commerce clause, this type of legislation has been consistently upheld as long as the legislation is a neutral, Alaska-only law. She said she felt there are surmountable issues with state law, including to what degree Alaska law could affect outside services such as AT&T. She highlighted the proposed bill was only for statewide applications. She reiterated there are 30 states in the process of introducing similar legislation to restore net neutrality in their states.

MS. RICH described peerage agreements. She stated local ISPs do not control how data is transferred from its source. She gave the example of GCI getting its service through Time Warner or another ISP in the Lower 48, who may have a dispute with Netflix, perhaps to try and create a Hulu-only service. Alaska recipients would not have access to that content because it would be blocked by an agreement over which the consumer had no control. She added the market theory falls apart as there is not ample choice in Alaska for this service. She underlined

high speed internet is needed for services such as telehealth and telemedicine in rural areas in the state.

[4:17:51 PM](#)

REPRESENTATIVE WOOL asked whether companies' interest in eliminating net neutrality was to limit the ability to access internet streaming services more easily than paying for cable.

MS. RICH shared her understanding that the intent was not necessarily to block content but to enable the companies to make money. She went on to say that ISPs that provide certain content through their cable television service would be able to offer streaming service as part of their product.

[4:20:15 PM](#)

CHAIR KITO spoke to internet speed. He remarked equitable access seems like it would mean everyone could access the same internet speed. He added there are already carriers who charge more for faster speeds.

MS. RICH answered that net neutrality was not addressing faster speeds, but content creators' access to opportunity. She added net neutrality was about requiring that companies not intentionally slow down services based on content. Larger organizations and businesses can negotiate for prioritization of their product or viewpoint, whereas a local "mom and pop shop" will not have that capacity. She stated the quality of opportunity was based on content and not on the actual infrastructure in which the ISP has invested.

REPRESENTATIVE JOSEPHSON asked about the intent of the FCC's order. He asked whether it was designed to create an exchange of commerce wherein one company could bid with an ISP to slow down a competitor's content.

[4:23:35 PM](#)

MS. RICH answered it was out of her league "speaking about the legislative intent of Chairman Pai and some of the former Verizon employees who made this decision at the FCC." She said that a key part of net neutrality is called "paid prioritization," which was one of the pieces which was dismantled with the action taken in December. She gave the example of several wallet applications which were blocked because they competed with the ISPs' own mobile wallet

applications. She stated she did not know whether that was in the intent of the decision but that it was certainly one of the results.

REPRESENTATIVE WOOL posited a scenario in which Alaska enacts its own net neutrality law, but the federal government does not. He said the state would receive content from a national backbone company, and suggested one provider (Netflix, Hulu) could pay to go faster and smaller provider could not pay for the extra speed. He asked whether Alaska consumers would have the same disparity in speed, even with the net neutrality law.

[4:26:26 PM](#)

MS. RICH explained "providers paying to go faster" refers to the content provider (Netflix or a small business), and not to the ISP. She pointed out that small businesses can't afford the same speeds that bigger businesses can afford. Net neutrality rules are designed to prevent content providers from accelerating the speed of certain content, so that users and not the ISPs get to decide where their traffic should go. She gave the example of a national provider such as AT&T who has an agreement with Netflix, and said the question was whether end users would feel the effects and get Netflix faster than another streaming service. She shared it was her understanding that Alaska would feel the effects if Alaska passed net neutrality legislation, but the federal government did not, or not enough states passed it to make it impractical for ISPs to go around net neutrality rules across the country. She suggested a scenario in which GCI has a peering agreement with Time Warner and said consumers would feel the effects of their content-blocking, without ever contracting with Time Warner.

[4:28:49 PM](#)

REPRESENTATIVE BIRCH shared his concern that the situation was being misrepresented. He remarked that testimony states the FCC has restored the pre-2015 view that broadband internet is an information service and not a utility common carrier service and restored Federal Trade Commission (FTC) authority over broadband providers. He asked Ms. Rich whether she has confidence in those agencies which were designed to protect the consumer.

MS. RICH answered she was not comfortable relying on the federal government to enforce the rules. She underlined it is not a coincidence that the legislation has such broad bipartisan support and that 30 states have introduced similar legislation.

REPRESENTATIVE BIRCH stated it doesn't appear to him to be bipartisan.

[4:33:01 PM](#)

CHAIR KITO opened public testimony on HB 277.

[4:33:25 PM](#)

JERRY KEEGAN, CTIA, Trade Association for Wireless Industry, testified in opposition to HB 277. He stated the wireless industry supports free and open internet, and that local companies (AT&T, GCI, Verizon Wireless) agree not to block or throttle lawful content in an anti-competitive manner. He said strong consumer protections remain in effect after the recent FCC decision, wherein it restored FTC broad authority to police providers and their actions. Additionally, FTC can prosecute providers who try to adopt anti-competitive practices, such as favoring their own content or services. He remarked FCC retained its transparency rule to require providers to present extensive information about their network management practices. He added the Alaska attorney general may enforce consumer protection laws of general applicability against any provider acting anti-competitively, violating its terms of service, or not abiding by its agreements. He stated the FCC's recent order reaffirms the 2015 decision finding that broadband is an interstate, indeed a global offering, preempting states and localities in this area. He opined state-by-state regulation of broadband services, especially mobile broadband, is untenable, and added that he thought a patchwork of state laws would hinder innovation and increase the cost of compliance. He suggested it would be unnecessary to pass the proposed bill considering what ISPs have agreed to do and the strong consumer protections already in place. He stated CTIA supports a federal legislative solution to ensure a free and open internet.

[4:36:13 PM](#)

REPRESENTATIVE SULLIVAN-LEONARD asked for a response to assertions about ISPs blocking access to content on the internet.

MR. KEEGAN answered the complaints generally refer to non-U.S. carriers or did not involve net neutrality violations at all. He stated the AT&T incident occurred over ten years previously involving a vendor who operated a webcast for AT&T and explained

the current bill does not address website operators. He stated the Telus incident did not involve a U.S. company. He added the Verizon incident had involved a single employee's misinterpretation of policy and the decision had been instantly reversed. He addressed peer-to-peer agreements and stated they would not be covered under HB 277 as they are not broadband internet access services as defined under the bill and are not mass-market retail services.

[4:38:42 PM](#)

JACK BARNEY testified in support of HB 277. He said he believes a fair and open internet is vital and the proposed bill is the most business-friendly way to achieve that goal. He pointed out large business states such as California have introduced similar legislation. He spoke to Representative Birch's comments about telephone regulation and suggested the telephone industry could innovate because it was under Title 2, whereas internet service was no longer under Title 2 with the recent FCC decision. He referred to the analogy of the supermarket. He remarked "if we were to imagine the entire internet is a grocery store, what this legislation is doing is saying that a grocery store cannot say, 'I'm only going to give you the opportunity to purchase Lucky Charms because I have cut an inside deal with them,' when what I want is cornflakes." He stated this legislation says the market should be open and consumers should be able to decide for themselves what should be on the shelves through the power of their purchases.

[4:41:08 PM](#)

CHARLES MCKEE, Self, testified in the hearing on HB 277.

[4:42:37 PM](#)

LEON JAIMES, Self, testified in support of HB 277. He stated he has worked in the information technology services sector for over 20 years and currently works as an information security consultant. He said he feels a free and open internet is fundamental to democracy and that internet connectivity allows residents in the most remote areas of the state to participate in the global economy. He stated Alaska is leading some of the efforts in telemedicine for which connectivity is vital. He said without net neutrality regulations, free speech and privacy are at risk. He spoke to recent data breaches and pointed out many ISPs fail in their data protection efforts. He gave the examples of an Alaska Communications 2014 data breach which

compromised the information of current and former employees, and the AT&T 2015 settlement with the FCC over a data breach. He underscored the data collection that is necessary to block, throttle, and engage in paid prioritization is directly attributable to individuals, and once it is collected it can be stolen with no recourse to recover it.

MR. JAIMES said United States Senator Lisa Murkowski has stated she supports net neutrality and has said the fundamental decisions on internet policy should involve the Congress, "they are that important." Although she has sponsored legislation such as the North American Energy Security and Infrastructure Act of 2016 with provisions for securing "the internet of things" energy management solutions, not one of the 2,915 pieces of legislation sponsored by the senator is aimed at protecting net neutrality.

MR. JAIMES spoke to a comment made during a previous committee meeting that net neutrality is not an issue as consumers are free to switch to another provider. He remarked that perspective shows a fundamental misunderstanding of what is at stake, as it is not only that the connection of consumers can be throttled, but the services at the other end of the connection may be throttled as well. He stated the website of an entrepreneur in Nome may be deprioritized so that customers around the world, regardless of their data plan, cannot access that website. He added telemedicine is another important example. He suggested ISP could charge more for telemedicine connections regardless of technological advances.

[4:47:10 PM](#)

SANTA CLAUS, Self, testified in support of net neutrality. He stated the internet was designed to enable and protect free speech. He said net neutrality ensures that ISPs cannot slow down or block content to subscribers who do not want to pay extra for preferential service. He stated that without net neutrality, an ISP could decide to block or slow down access to internet content throughout Alaska and internet access could be restricted to websites that contain only particular religious or political views. He said net neutrality encourages free speech without discrimination and that without it, legislators may have to pay ISPs more to ensure their campaign websites were viewed along with their opponents' websites. He encouraged the committee to protect free speech and ensure equal and timely access to information to benefit all the people in the state.

[4:49:01 PM](#)

GEORGE PIERCE, Self, testified in the hearing on HB 277.

[4:51:04 PM](#)

CHAIR KITO announced that public testimony would be left open.

HB 277 was held over.

**Presentation: Temporary Specialty Dentistry**

[4:51:06 PM](#)

CHAIR KITO announced that the final order of business would be a presentation regarding temporary specialty dentistry.

[4:51:39 PM](#)

DR. DAVID LOGAN, Executive Director, Alaska Dental Society, presented on Temporary Specialty Dentistry. He stated the Alaska Dental Society was asking for a companion bill to SB 161 creating a temporary specialty dentistry license. He added the license would be important for small communities when a dentist gets incapacitated or moves and would allow the board to bring someone in on a temporary basis until other arrangements could be made.

[4:53:49 PM](#)

REPRESENTATIVE STUTES asked whether the aim was for a temporary Alaska license for a licensed dentist coming in from another state.

DR. LOGAN answered in the affirmative. He said dentists would have the right training and the license would be very limited and designed to provide coverage until the proper licensure procedures can take place.

REPRESENTATIVE STUTES said it was not clear from the documentation that the proposed bill would involve previously licensed professionals.

[4:54:58 PM](#)

REPRESENTATIVE SULLIVAN-LEONARD asked whether there is a pool of specialists that could be drawn from to provide dental services.

DR. LOGAN answered dental specialists make up roughly 20 percent of the total dentists around the U.S. He specified that in Alaska all the specialists are at capacity. He added Alaska's small communities often cannot support a full-time dental specialist and when a specialist is incapacitated it means patients must travel to care.

[4:56:33 PM](#)

REPRESENTATIVE BIRCH asked whether there was any pushback on the proposal.

DR. LOGAN answered the dental board had approached his organization to bring the legislation forward.

[4:57:43 PM](#)

DAVID NIELSON, Alaska State Dental Board, testified in the presentation on temporary specialty dental licenses. He reiterated the statement that the dental board had approached the Alaska Dental Society to put forward the proposal and the board does support the temporary license. He remarked the licensing process can be quite lengthy and an incapacitated dentist's practice and patient base could be put in jeopardy in the meantime. He added the proposed legislation would not affect tribal health but the director at the Southcentral Foundation does support it.

[4:59:21 PM](#)

REPRESENTATIVE WOOL asked about the timeline on a temporary license.

DR. LOGAN answered the timeline was 90 days.

[4:59:50 PM](#)

Representative Wool moved and asked unanimous consent that the House Labor and Commerce Standing Committee authorize the chair to draft a bill establishing a specialty temporary dental license. There being no objection it was so ordered.

[5:00:36 PM](#)

**ADJOURNMENT**

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at 5:00 p.m.