

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

March 26, 2018

3:18 p.m.

**MEMBERS PRESENT**

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

**MEMBERS ABSENT**

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

**COMMITTEE CALENDAR**

SENATE BILL NO. 165

"An Act relating to the Alaska comprehensive health insurance fund; and providing for an effective date."

- HEARD & HELD

CS FOR SENATE BILL NO. 45(FIN)

"An Act relating to an exemption from the regulation of construction contractors."

- HEARD & HELD

CS FOR SS FOR SENATE BILL NO. 4(FIN) AM

"An Act relating to the Board of Barbers and Hairdressers; relating to a limited license to practice non-chemical barbering; relating to a license to practice hair braiding; relating to the Department of Environmental Conservation; and providing for an effective date."

- MOVED HCS CSSSSB 4(L&C) AM OUT OF COMMITTEE

HOUSE BILL NO. 379

"An Act relating to claims against protection and indemnity insurance policies of vessel owners."

- SCHEDULED BUT NOT HEARD

HOUSE BILL NO. 374

"An Act relating to on-bill financing by a utility for certain energy efficiency and conservation improvements."

- SCHEDULED BUT NOT HEARD

**PREVIOUS COMMITTEE ACTION**

BILL: SB 165

SHORT TITLE: COMPREHENSIVE HEALTH INSURANCE FUND

SPONSOR(s): SENATOR(s) MACKINNON

01/26/18	(S)	READ THE FIRST TIME - REFERRALS
01/26/18	(S)	L&C, FIN
02/22/18	(S)	L&C AT 1:30 PM BELTZ 105 (TSBldg)
02/22/18	(S)	Moved SB 165 Out of Committee
02/22/18	(S)	MINUTE(L&C)
02/26/18	(S)	L&C RPT 5DP
02/26/18	(S)	DP: COSTELLO, STEVENS, MICCICHE, MEYER, GARDNER
02/27/18	(S)	FIN AT 9:00 AM SENATE FINANCE 532
02/27/18	(S)	Heard & Held
02/27/18	(S)	MINUTE(FIN)
02/28/18	(S)	FIN RPT 6DP 1NR
02/28/18	(S)	DP: HOFFMAN, MACKINNON, BISHOP, VON IMHOF, STEVENS, MICCICHE
02/28/18	(S)	NR: OLSON
02/28/18	(S)	FIN AT 9:00 AM SENATE FINANCE 532
02/28/18	(S)	Moved SB 165 Out of Committee
02/28/18	(S)	MINUTE(FIN)
03/05/18	(S)	TRANSMITTED TO (H)
03/05/18	(S)	VERSION: SB 165
03/07/18	(H)	READ THE FIRST TIME - REFERRALS
03/07/18	(H)	L&C, FIN
03/21/18	(H)	L&C AT 3:15 PM BARNES 124
03/21/18	(H)	-- MEETING CANCELED --
03/23/18	(H)	L&C AT 3:15 PM BARNES 124
03/23/18	(H)	-- MEETING CANCELED --
03/26/18	(H)	L&C AT 3:15 PM BARNES 124

BILL: SB 45

SHORT TITLE: EXEMPTION: LICENSING OF CONTRACTORS

SPONSOR(s): LABOR & COMMERCE

02/01/17	(S)	READ THE FIRST TIME - REFERRALS
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02/01/17 (S) L&C, FIN  
 02/07/17 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)  
 02/07/17 (S) Heard & Held  
 02/07/17 (S) MINUTE(L&C)  
 02/28/17 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)  
 02/28/17 (S) Moved SB 45 Out of Committee  
 02/28/17 (S) MINUTE(L&C)  
 03/01/17 (S) L&C RPT 1DP 4NR  
 03/01/17 (S) DP: COSTELLO  
 03/01/17 (S) NR: HUGHES, MEYER, STEVENS, GARDNER  
 04/07/17 (S) FIN AT 9:00 AM SENATE FINANCE 532  
 04/07/17 (S) Heard & Held  
 04/07/17 (S) MINUTE(FIN)  
 04/11/17 (S) FIN AT 1:30 PM SENATE FINANCE 532  
 04/11/17 (S) Moved CSSB 45(FIN) Out of Committee  
 04/11/17 (S) MINUTE(FIN)  
 04/12/17 (S) FIN RPT CS 5DP 1NR SAME TITLE  
 04/12/17 (S) DP: HOFFMAN, MACKINNON, BISHOP, VON  
 IMHOF, MICCICHE  
 04/12/17 (S) NR: OLSON  
 04/15/17 (S) TRANSMITTED TO (H)  
 04/15/17 (S) VERSION: CSSB 45(FIN)  
 04/16/17 (H) READ THE FIRST TIME - REFERRALS  
 04/16/17 (H) L&C  
 03/23/18 (H) L&C AT 3:15 PM BARNES 124  
 03/23/18 (H) -- MEETING CANCELED --  
 03/26/18 (H) L&C AT 3:15 PM BARNES 124

BILL: SB 4

SHORT TITLE: NON-CHEMICAL BARBERING;HAIR BRAIDING

SPONSOR(s): MICCICHE

01/18/17 (S) PREFILE RELEASED 1/9/17  
 01/18/17 (S) READ THE FIRST TIME - REFERRALS  
 01/18/17 (S) L&C, FIN  
 02/17/17 (S) SPONSOR SUBSTITUTE INTRODUCED-REFERRALS  
 02/17/17 (S) L&C, FIN  
 03/02/17 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)  
 03/02/17 (S) Heard & Held  
 03/02/17 (S) MINUTE(L&C)  
 03/14/17 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)  
 03/14/17 (S) Moved SSSB 4 Out of Committee  
 03/14/17 (S) MINUTE(L&C)  
 03/15/17 (S) L&C RPT 1DP 4NR  
 03/15/17 (S) DP: COSTELLO  
 03/15/17 (S) NR: HUGHES, MEYER, STEVENS, GARDNER

04/14/17 (S) FIN WAIVED PUBLIC HEARING NOTICE, RULE  
23

04/15/17 (S) FIN AT 9:00 AM SENATE FINANCE 532

04/15/17 (S) <Bill Hearing Canceled>

04/16/17 (S) FIN AT 9:00 AM SENATE FINANCE 532

04/16/17 (S) -- MEETING CANCELED --

04/17/17 (S) FIN AT 9:00 AM SENATE FINANCE 532

04/17/17 (S) Heard & Held

04/17/17 (S) MINUTE(FIN)

02/02/18 (S) FIN AT 9:00 AM SENATE FINANCE 532

02/02/18 (S) Heard & Held

02/02/18 (S) MINUTE(FIN)

02/05/18 (S) FIN AT 9:00 AM SENATE FINANCE 532

02/05/18 (S) Moved CSSSSB 4(FIN) Out of Committee

02/05/18 (S) MINUTE(FIN)

02/07/18 (S) FIN RPT CS 4DP SAME TITLE

02/07/18 (S) DP: MACKINNON, BISHOP, STEVENS,  
MICCICHE

02/09/18 (S) TRANSMITTED TO (H)

02/09/18 (S) VERSION: CSSSSB 4(FIN) AM

02/12/18 (H) READ THE FIRST TIME - REFERRALS

02/12/18 (H) L&C, FIN

03/16/18 (H) L&C AT 3:15 PM BARNES 124

03/16/18 (H) <Bill Hearing Canceled>

03/19/18 (H) L&C AT 3:15 PM BARNES 124

03/19/18 (H) Heard & Held

03/19/18 (H) MINUTE(L&C)

03/26/18 (H) L&C AT 3:15 PM BARNES 124

**WITNESS REGISTER**

SENATOR ANNA MACKINNON  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Introduced SB 165 as prime sponsor.

ANNA LATHAM, Deputy Director  
Division of Insurance  
Department of Commerce, Community & Economic Development (DCCED)  
Juneau, Alaska

**POSITION STATEMENT:** Answered questions in the hearing on SB  
165.

MICAELA FOWLER, Legislative Liaison  
Department of Commerce, Community & Economic Development (DCCED)  
Juneau, Alaska

**POSITION STATEMENT:** Answered questions in the hearing on SB 165.

SENATOR MIA COSTELLO  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Introduced SB 45 as prime sponsor.

NATASHA MCCLANAHAN, Staff  
Senator Mia Costello  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Presented the sectional analysis of SB 45 on behalf of Senator Costello, prime sponsor.

JANEY MCCULLOUGH, Director  
Division of Corporations, Business And Professional Licensing  
(DCBPL)  
Department of Commerce, Community & Economic Development (DCCED)  
Juneau, Alaska

**POSITION STATEMENT:** Answered questions in the hearing on SB 45.

ALAN WILSON, Owner  
Alaska Renovators  
Juneau, Alaska

**POSITION STATEMENT:** Testified in support of SB 45.

JIM DUNLAP, President  
Alaska State Homebuilding Association (ASHA)  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of SB 45.

RICHARD CARR  
Wasilla, Alaska

**POSITION STATEMENT:** Testified in support of SB 45.

PATRICK DALTON  
Delta Junction, Alaska

**POSITION STATEMENT:** Testified in opposition to SB 45.

SENATOR PETER MICCICHE  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Reintroduced SB 4 as prime sponsor.

RACHEL HANKE, Staff  
Senator Peter Micciche

Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Presented SB 4 on behalf of Senator Micciche, prime sponsor.

**ACTION NARRATIVE**

[3:18:57 PM](#)

**CHAIR SAM KITO** called the House Labor and Commerce Standing Committee meeting to order at 3:18 p.m. Representatives Sullivan-Leonard, Stutes, Knopp, Wool, Birch, Josephson, and Kito were present at the call to order.

**SB 165-COMPREHENSIVE HEALTH INSURANCE FUND**

[3:19:36 PM](#)

CHAIR KITO announced that the first order of business would be SENATE BILL NO. 165, "An Act relating to the Alaska comprehensive health insurance fund; and providing for an effective date."

[3:19:54 PM](#)

SENATOR ANNA MACKINNON, Alaska State Legislature, introduced SB 165 as prime sponsor. She paraphrased the sponsor statement [included in committee packet], which reads as follows [original punctuation provided]:

In 2015, the individual health care market in Alaska was in a precarious state. There were only two insurers with current enrollees in individual healthcare plans in Alaska, and each insurer was experiencing significant losses. Average premium rate increases in 2015 were 38.7% for one insurer and 39.9% for the other. In 2016, one of Alaska's only two remaining insurers gave notice that they would be withdrawing from the Alaska individual market effective January 2017.

The 29th Legislature passed HB 374 in 2016, which created the Alaska Reinsurance Program, and allowed the Division of Insurance to apply for a federal Section 1332 state innovation waiver under the Affordable Care Act (ACA). That legislation included a sunset date of June 30, 2018 to ensure that the

diversion of insurance premium taxes from the general fund was not relied upon as a long-term funding mechanism. In July 2017, the waiver was approved by both the Department of Health and Social Services and the Department of Treasury based on the application submitted by the division, which requested pass-through funding for the Alaska Reinsurance Program.

The federal award for this waiver was approximately \$322 million over five years. The award is to be used, in conjunction with the Alaska Reinsurance Program, to continue to stabilize the individual healthcare market in Alaska.

This legislation extends the sunset provision on the Alaska comprehensive health insurance fund by six years, from June 30, 2018 to June 30, 2024 to allow for the continuation of the Alaska Reinsurance Program and receipt of the federal funding.

The bill also removes the requirement that funds collected under AS 21.09.210 (tax on insurers), AS 21.33.055 (unauthorized insurance premium tax), AS 21.34.180 (surplus lines tax) and AS 21.66.110 (annual tax on title insurance premiums) are to be deposited into the Alaska comprehensive health insurance fund within the general fund.

Passage of HB374 by the 29th Legislature has resulted in stabilization of the individual insurance market. The Section 1332 state innovation waiver provides funding for the Alaska Reinsurance Program, through the Alaska comprehensive health insurance fund. Now this legislation is necessary to ensure the continued effectiveness of the Alaska Reinsurance Program, meet the intent of the waiver, and receive the federal funding.

[3:22:21 PM](#)

CHAIR KITO asked Senator Mackinnon to explain the funding that will go back into the general fund (GF).

SENATOR MACKINNON corrected the amount was \$63 million. She stated \$55 million was done several years ago to create the reinsurance pool. She said high-risk insurance recipients were paid for outside of the regular insurance. She explained that

\$63 million represents current insurance premiums that are being deposited and moved back into GF.

REPRESENTATIVE WOOL asked how many people were moved from the general pool to the high-risk pool.

SENATOR MACKINNON answered that 500 individuals were driving 95 percent of the high-risk costs. She deferred to Ms. Lori Wing-Heier.

[3:24:04 PM](#)

CHAIR KITO opened public testimony on SB 165. [He moved to invited testimony and did not close public testimony.]

[3:25:01 PM](#)

MICAELA FOWLER, Legislative Liaison, Department of Commerce, Community & Economic Development (DCCED), answered questions in the hearing on SB 165. She stated that when the original legislation passed, it directed premium tax dollars into the Alaska Comprehensive Health Insurance Fund. She added the legislation had a sunset date which would be extended in the proposed bill. The original legislation stipulated that the department would seek additional funding. She said that was carried out through a 1332 Waiver. She added that because the federal government pays a portion of premiums, the amount that is suppressed is being given back to the state for the fund for the next four years.

CHAIR KITO asked about the 1332 Waiver.

[3:27:04 PM](#)

ANNA LATHAM, Deputy Director, Division of Insurance, Department of Commerce, Community & Economic Development (DCCED), answered questions in the hearing on SB 165. She stated the fiscal note (FN) reflects the federal funds from the 1332 Waiver award.

REPRESENTATIVE BIRCH asked how many beneficiaries are in the insurance pool.

MS. LATHAM answered there are around 18,000 Alaskans in the individual market. She added the state fully funded the program in 2017. She said there had been a \$55 million appropriation. She said the Division of Insurance had applied for a federal waiver which was awarded in 2018. She added that because

Alaska's market is highly subsidized, 90 percent of the re-insurance program for the 5 years of the waiver is going to be federally funded

REPRESENTATIVE BIRCH asked whether the Alaska Comprehensive Health Insurance Association (ACHIA) program is expanded from hundreds to thousands over the years.

MS. LATHAM spoke to the Alaska Reinsurance Program for individuals with high cost qualifying conditions. When Primera see these qualifying conditions, it lowers rates for everyone in the individual market. She added the individual market has been dropping in enrollment in recent years.

REPRESENTATIVE WOOL asked whether ACHIA has "morphed" into the fund or whether they are separate things.

MS. LATHAM answered the small population in the ACHIA program is stable, and the reinsurance program from 2016 is a separate program.

REPRESENTATIVE WOOL surmised that a few people remaining on ACHIA might qualify for the high-risk designation that would be taken out of the pool.

MS. LATHAM said the division has not seen a migration to the reinsurance program.

REPRESENTATIVE WOOL suggested the program was started before the division knew it was going to get a federal reimbursement.

MS. LATHAM answered that is correct. She added the division knew it had to find an alternate funding source.

[3:33:44 PM](#)

CHAIR KITO held over SB 165.

**SB 45-EXEMPTION: LICENSING OF CONTRACTORS**

[3:34:00 PM](#)

CHAIR KITO announced that the next order of business would be SENATE BILL NO. 45, "An Act relating to an exemption from the regulation of construction contractors."

[3:34:31 PM](#)

SENATOR MIA COSTELLO, Alaska State Legislature, introduced SB 45 as prime sponsor. She paraphrased the sponsor statement [included in committee packet], which reads as follows [original punctuation provided]:

Senate Bill 45 provides better protections for buyers of homes and other buildings by requiring unlicensed owner-builders to disclose they are selling a newly built home as an unlicensed builder.

The intent of the legislation, as stated in Section 1, is to continue to allow individuals to enjoy the freedom and ability to construct and sell their own homes.

Following the housing market crash of the 1980's, the Alaska Legislature raised professional standards for homebuilders, requiring residential contractors to get a state license, a residential endorsement, bonding, and insurance. The Alaska Housing Finance Corporation was specifically directed by statute to establish energy efficiency initiatives such as energy ratings and the Alaska Craftsman Home Program. These efforts helped Alaska become a place where the home construction industry provides high quality and affordable energy-efficient options for buyers.

Construction contractor law has been on the books since 1968. The current owner-builder exemption, AS 08.18.161(12), was first enacted that year to provide an exemption that allows individuals to build one home or commercial building every two years without a contractor license.

Currently state law provides an exemption that allows individuals to build structures without a contractor license. Alaska law AS 08.18.161 allows anyone to build one structure every two years without a license. While the exemption was intended to allow Alaskans to build their own home, the industry is seeing a growing number of individuals using the exemption to operate construction businesses.

SB 45 requires anyone who builds and sells a home without a contractor license within two years of starting construction to disclose that they do not

have a license. The measure does not prohibit owner-builder construction. It does not require state approval for owner-builder construction. Owners have the right to build their own homes and this bill does not change that. It requires simple disclosure that helps home buyers.

[3:35:50 PM](#)

NATASHA MCCLANAHAN, Staff, Senator Mia Costello, Alaska State Legislature, presented the sectional analysis of SB 45 on behalf of Senator Costello, prime sponsor. She paraphrased the sectional analysis [included in committee packet], which reads as follows [original punctuation provided]:

Section 1. Adds legislative intent language to uncodified law to help assure that changes made by Section 3 of the bill be construed broadly to allow individuals the freedom and ability to construct and sell their own homes based on their own discretion. Page 1, lines 3-7.

Section 2. Amends AS 08.18.116 to require the Department of Commerce, Community, and Economic Development or the Department of Labor and Workforce Development to investigate and take appropriate action if an owner-builder tries to sell a structure while not licensed as a contractor during the time of constructing the building or two years after construction begins. Page 1, lines 8-14.

Section 3. Amends AS 08.18.161 to:

- Exempt from construction contractor requirements those who work on an existing structure on their own property or their own existing residence.
- Require an owner-builder to notify the Alaska Department of Commerce, Community, and Economic Development on a form provided by the agency when advertising or selling a home built if an owner-builder tries to sell it while not licensed as a contractor during the time of constructing the building or two years after construction begins.

Section 4. Adds applicability language to uncodified law that would provide clarity on when construction begins under Section 3: either when the actual construction starts or when an owner enters into an

agreement with someone to provide labor, act as a subcontractor, or provide materials for the construction.

[3:37:31 PM](#)

REPRESENTATIVE JOSEPHSON asked the presenters to compare the proposed bill to that brought forward by Representative Cathy Tilton in a previous legislature [House Bill 81].

SENATOR COSTELLO answered that the bill to which he referred was addressing a similar issue.

REPRESENTATIVE JOSEPHSON asked what the remedy for abuse is.

MS. MCCLANAHAN answered it's a notice issue. She deferred to the department.

REPRESENTATIVE KNOPP commented that SB 45 is simply a consumer protection bill.

CHAIR KITO shared his understanding that the proposed bill would not preclude the ability of a city to regulate code enforcement within its jurisdiction. He said he thinks there are either six or nine communities in Alaska that have a jurisdiction for building codes. He surmised the provision is to try and put some protections in place for those people who don't have a municipal building code authority in their community.

SENATOR COSTELLO said that was her understanding but deferred to the division.

[3:42:07 PM](#)

JANEY MCCULLOUGH, Director, Division of Corporations, Business and Professional Licensing (DCBPL), Department of Commerce, Community & Economic Development (DCCED), answered questions in the hearing on SB 45. She stated the provision would not have any effect on local municipalities' ability to enforce building codes. She underlined it is a consumer protection bill. She said it would be a requirement to notify the department and would be another tool in the toolbox for buyers.

[3:43:06 PM](#)

REPRESENTATIVE BIRCH asked whether the requirement would be to disclose within two years of the beginning of construction or two years from the end.

SENATOR COSTELLO answered the starting point is point in which the ground is broken. If the home is then completed after two years and the owner decides to sell it, then notification is required.

REPRESENTATIVE BIRCH said he thinks there is a federal tax deal for an owner who lives in the home for a certain amount of time.

SENATOR COSTELLO stated she is not an expert in tax law and would defer to someone else for an answer.

[3:45:00 PM](#)

ALAN WILSON, Owner, Alaska Renovators, testified in support of SB 45. He said he is a member of Alaska State Homebuilders Association (ASHA). He said the proposed legislation was an effort to ensure that homebuyers had some information about who built a home. He identified that there are no penalties provided for in the bill.

[3:46:25 PM](#)

JIM DUNLAP, President, Alaska State Homebuilding Association (ASHA), testified in support of SB 45. He stated his organization would continue to work on community building codes. He said SB 45 attempts to protect consumers. He underlined the initiative does not involve penalties.

[3:48:51 PM](#)

CHAIR KITO opened public testimony on SB 45.

[3:49:04 PM](#)

RICHARD CARR testified in support of SB 45. He spoke to his experience as a remodeler and shared an example of poor workmanship he had observed. He said he believes SB 45 would help provide critical information for consumers when they are seeking a home.

REPRESENTATIVE SULLIVAN-LEONARD asked Mr. Carr to give testimony on Mat-Su Homebuilder's position on the proposed bill.

MR. CARR answered the organization is "100 percent in favor of SB 45." He said they think it would improve the Valley a great deal.

REPRESENTATIVE SULLIVAN-LEONARD asked how many home builders are in Mat-Su Homebuilders Association.

MR. CARR answered there are 145 members.

[3:52:47 PM](#)

REPRESENTATIVE JOSEPHSON asked whether Mr. Carr is currently required to submit paperwork to the department stating he is constructing a home for sale.

MR. CARR answered not in the Mat-Su Borough.

REPRESENTATIVE JOSEPHSON asked who in government knows when he is building a home.

MR. CARR answered no one that he knows of. He added that the Alaska Housing Finance Corporation (AHFC) would know.

[3:53:50 PM](#)

PATRICK DALTON testified in opposition of SB 45. He said a few years ago there was a similar bill which exempted builders in the rural unorganized boroughs. He quoted from a study by the Cato Institute from an article entitled, "Zoning, Land-Use Planning, and Housing Affordability," Policy Analysis No. 823, October 2017, by Vanessa Brown Calder.

[3:57:50 PM](#)

REPRESENTATIVE JOSEPHSON asked why the provision would be such a burden. He pointed out the requirement involves a form.

MR. DALTON answered that the article addresses that regulations in any form create paperwork which creates uncertainty in the building market. He said businesses always pass the cost on the consumer. He added uncertainty is created over whether the application will be accepted.

REPRESENTATIVE JOSEPHSON asked why the legislature should not exercise caution on behalf of consumers in the unorganized boroughs.

MR. DALTON asked whether the legislature was protecting the homebuilder from increased prices. He said that houses in his area are cheaper than houses in Fairbanks, Alaska.

[4:01:51 PM](#)

REPRESENTATIVE BIRCH asked whether Mr. Dalton is aware of any outside financing in Delta Junction.

MR. DALTON answered he is a specialty contractor and can't answer questions on financing. He said people move to his area of the state to be free from the regulations in organized boroughs. He said they want fewer regulations.

REPRESENTATIVE BIRCH asked Mr. Dalton whether he has a business license.

MR. DALTON answered in the affirmative.

REPRESENTATIVE BIRCH said he did not see the proposed bill as more complicated than acquiring a business license.

MR. DALTON asked how the legislature is protecting the rights of a homebuilder.

REPRESENTATIVE BIRCH shared his understanding that there is no prohibition on building one's own home.

MR. DALTON shared his understanding that the proposed bill would require paperwork. He said he thinks it is an infringement on private property rights.

[4:08:37 PM](#)

REPRESENTATIVE KNOPP commented that the proposed bill has nothing to do with planning or zoning. He added that it does not require seeking permission. He said the proposed bill would require that the homeowner notify the prospective buyer that the house was not built by a licensed contractor. He noted that a young builder may not know all the regulations. He opined it doesn't limit rights in any shape or form. He stated where he lives the borough has not adopted codes but the cities within the borough have.

[4:11:15 PM](#)

CHAIR KITO held over SB 45.

**SB 4-NON-CHEMICAL BARBERING;HAIR BRAIDING**

[4:11:32 PM](#)

CHAIR KITO announced that the final order of business would be SENATE BILL NO. 4, "An Act relating to the Board of Barbers and Hairdressers; and relating to a limited license to practice non-chemical barbering."

[4:12:27 PM](#)

SENATOR PETER MICCICHE, Alaska State Legislature, reintroduced SB 4 as prime sponsor. He stated the proposed bill would clarify that owners must conspicuously display their shop licenses so that practitioners in the shop are not cited. It would allow shops to self-certify. The bill would create two new license types for non-chemical barbers and left the traditional barber license. He added that bill would reduce training hours.

[4:14:11 PM](#)

RACHEL HANKE, Staff, Senator Peter Micciche, Alaska State Legislature, presented SB 4 on behalf of Senator Micciche, prime sponsor. She added the bill would also separate tattooing and cosmetic coloring into two separate licenses and would expand the definition of tattooing to include microblading and microneedling.

[4:14:31 PM](#)

REPRESENTATIVE WOOL asked about the hours of training required for non-chemical barbers. He asked whether the hours were determined by the board.

SENATOR MICCICHE answered it would be the board's decision.

[4:15:46 PM](#)

CHAIR KITO opened public testimony on SB 4. Upon ascertaining that no one was available to testify, he closed public testimony.

CHAIR KITO commented that it makes sense to look at and fix outdated statutes.

[4:17:25 PM](#)

REPRESENTATIVE WOOL moved to report SB 4 out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, it was so ordered.

4:18:18 PM

**ADJOURNMENT**

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at 4:18 p.m.