

SENATE FINANCE COMMITTEE
March 20, 2017
9:16 a.m.

9:16:32 AM

CALL TO ORDER

Co-Chair MacKinnon called the Senate Finance Committee meeting to order at 9:16 a.m.

MEMBERS PRESENT

Senator Lyman Hoffman, Co-Chair
Senator Anna MacKinnon, Co-Chair
Senator Click Bishop, Vice-Chair
Senator Mike Dunleavy
Senator Peter Micciche
Senator Donny Olson
Senator Natasha von Imhof

MEMBERS ABSENT

None

ALSO PRESENT

Juli Lucky, Staff, Senator Anna MacKinnon; Gina Ritacco, Staff, Senator Mike Dunleavy;

SUMMARY

SB 63 REGULATION OF SMOKING

CSSB 63(FIN) was REPORTED out of committee with a "do pass" recommendation with one new zero fiscal note from Department of Transportation and Public Facilities, and four previously published zero fiscal notes: FN2(DEC); FN3(DHS); FN4(DPS); and FN5(CED).

#sb63

SENATE BILL NO. 63

"An Act prohibiting smoking in certain places; relating to education on the smoking prohibition; and providing for an effective date."

9:17:36 AM

MOVED to ADOPT the proposed committee substitute for SB 63, Work Draft 30-LS0024\R (Martin 3/10/17).

Co-Chair MacKinnon OBJECTED for discussion.

9:17:52 AM

JULI LUCKY, STAFF, SENATOR ANNA MACKINNON, explained the changes in the committee substitute (copy on file):

Throughout §18.35.301 the language "smoking is prohibited" and "smoking is allowed" was replaced with "an individual may not smoke" and "an individual may smoke" to clarify that building managers and employers cannot be fined for a violation of this section.

Page 2, lines 13-27: Rewrites §18.35.301 (b) for clarity. The prohibitions are the same; the only additional language is to clarify that a person can smoke in a private residence that is in the same building as another, separate private residence that provides child care or adult care.

Page 3, lines 16-23: Rewrites §18.35.301 (d)(1)(B) regarding the exemption for businesses that are not freestanding. The words "or building" were added to lines 16 and 20 to ensure that buildings that are not businesses will also be considered. Also, the prohibition on exemption was extended to include facilities that provide adult care.

Page 4, lines 1-3: Rewrites §18.35.301 (e) regarding smoking areas in airports. Instead of specifying where the smoking area can be located and who can use it, the CS allows an airport discretion in creating a separate enclosed smoking area as long as it is "vented directly to an outdoor area where smoking is not prohibited."

Page 5, lines 11-12: Rewrites §18.35.306 to remove language that specifies acceptable puffin types for signs. This change was made to ensure that existing signs will not be made noncompliant by passage of this

legislation, thereby possibly subjecting business owners to a fine for improper signage.

Co-Chair MacKinnon REMOVED her OBJECTION. There being NO further OBJECTION, the proposed committee substitute was adopted.

[9:22:57 AM](#)

Co-Chair MacKinnon discussed the bill hearing history.

Senator Micciche did not offer any comments on the bill.

[9:23:32 AM](#)

Senator Micciche stated that he had an amendment.

[9:23:43 AM](#)

AT EASE

[9:25:03 AM](#)

RECONVENED

[9:25:07 AM](#)

Senator Micciche MOVED to ADOPT Amendment 1 (copy on file):

Co-Chair MacKinnon OBJECTED for DISCUSSION.

Senator Micciche explained the amendment.

[9:26:21 AM](#)

Co-Chair MacKinnon REMOVED her OBJECTION. There being NO OBJECTION, Amendment 1 was ADOPTED.

[9:26:39 AM](#)

Co-Chair MacKinnon explained //

[9:27:16 AM](#)

AT EASE

[9:27:23 AM](#)

RECONVENED

Co-Chair MacKinnon noted that on line 7 there was a handwritten statement, "is not licensed to" and "does not" was deleted.

[9:27:48 AM](#)

AT EASE

[9:28:52 AM](#)

RECONVENED

[9:28:55 AM](#)

Senator Dunleavy MOVED to ADOPT Amendment 2 (copy on file):

Page 3, line 31, following "a":
Insert "(1)"

Page 4, line 3, following "section":
Insert";

- (2) private club if the private club
 - (A) has no employees;
 - (B) limits use of the club premises to members of the club; and
 - (C) prohibits use of marijuana as defined in AS 17.38.900; and
 - (D) is in a building that
 - (i) is freestanding; or
 - (ii) if it is attached to another business or building, the other business or building does not serve as a residence, child care facility, facility providing care for adults on a fee-for-service basis, school, or health care facility"

Co-Chair MacKinnon OBJECTED for DISCUSSION.

[9:29:12 AM](#)

GINA RITACCO, STAFF, SENATOR MIKE DUNLEAVY, explained the amendment. She stated that the amendment allowed for new private clubs that may permit smoking to form after the passage of the bill. She stated that the club must not be open to the public; did not have employees; prohibited the use of marijuana; and was in a building that was either free-standing or not attached to another building that was a residence, child care facility, facility providing care

for adults, or on a fee for service basis school or health care facility. The provision was included because in rural districts, there may be no free standing facility to be used as a club to gather together.

Senator Micciche stated that he also objected to the amendment. He explained that a private club was not currently covered under the bill. He stated that a place with no employees and was free standing was allowed to smoke in its facility. He felt that the amendment countered the reason for the bill, because it harmed those working in the attached building.

[9:31:17 AM](#)

AT EASE

[9:32:10 AM](#)

RECONVENED

[9:32:22 AM](#)

Senator Dunleavy explained that the amendment was intended to allow a private club to exist. He stated that there were not many buildings in some rural locations in his district. He shared that the intent was to address the lack of infrastructure in the rural parts of his district.

Senator Olson queried the effect on the people who were trying not to violate the law.

Senator Dunleavy responded that the bill would affect the unorganized boroughs, too. He remarked that there was often no infrastructure. He explained that there may be a business that had all employees as smokers, and there may be an attached portion of the building with a club that may wish to smoke with no employees. He stressed that the amendment would provide the smaller communities more flexibility for the desire to have a club in an attached building.

Senator Olson wondered whether the amendment included villages.

Senator Dunleavy replied in the affirmative.

Co-Chair MacKinnon wondered why there was not a limited definition for "off the road systems" or "rural communities."

Senator Dunleavy replied that he did not know if there was a limiting consideration.

Co-Chair MacKinnon remarked that there were multiple definitions for rural communities.

Senator von Imhof remarked that there may be issues related to an HVAC system in a building that would cause poor ventilation.

[9:37:12 AM](#)

Senator Olson felt that the amendment may alleviate some confusion in rural Alaska that would cause a disadvantage without the ability to have an "out."

Co-Chair MacKinnon MAINTAINED her OBJECTION.

A roll call vote was taken on the motion.

IN FAVOR: Olson, Dunleavy

OPPOSED: von Imhof, Bishop, Micciche, MacKinnon, Hoffman

The motion to adopt Amendment 2 FAILED (2,5).

Senator Micciche remarked that he had worked with businesses to "soften" the effect on existing businesses. He hoped the businesses would move out of the location that impacted others in the future, and was willing to help with some investment. He stressed that the businesses who smoked in "mini-malls" caused a health risk to the other businesses. He spoke in support of the legislation.

Vice-Chair Bishop MOVED to REPORT CSSB 63(FIN) out of Committee with individual recommendations and the accompanying fiscal notes.

There being NO OBJECTION, it was so ordered.

[9:40:01 AM](#)

AT EASE

[9:42:35 AM](#)

RECONVENED

Co-Chair MacKinnon discussed housekeeping.

CSSB 63(FIN) was REPORTED out of committee with a "do pass" recommendation with one new zero fiscal note from Department of Transportation and Public Facilities, and four previously published zero fiscal notes: FN2(DEC); FN3(DHS); FN4(DPS); and FN5(CED).

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ADJOURNMENT

9:42:52 AM

The meeting was adjourned at 9:42 a.m.