

ALASKA STATE LEGISLATURE
HOUSE COMMUNITY AND REGIONAL AFFAIRS STANDING COMMITTEE

April 9, 2019

8:02 a.m.

MEMBERS PRESENT

Representative Harriet Drummond, Co-Chair
Representative Sara Hannan, Co-Chair
Representative Matt Claman
Representative Jonathan Kreiss-Tomkins
Representative Steve Thompson
Representative Sharon Jackson
Representative Josh Revak

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

PRESENTATION(S): COMMUNITY SERVICE BLOCK GRANT PROGRAM~
DEPARTMENT OF COMMERCE~ COMMUNITY & ECONOMIC DEVELOPMENT

- HEARD

HOUSE BILL NO. 32

"An Act making certain entities that are exempt from federal taxation under 26 U.S.C. 501(c)(3), (4), (6), (12), or (19) (Internal Revenue Code), regional housing authorities, and federally recognized tribes eligible for a loan from the Alaska energy efficiency revolving loan fund; relating to loans from the Alaska energy efficiency revolving loan fund; and relating to the annual report published by the Alaska Housing Finance Corporation."

- MOVED HB 32 OUT OF COMMITTEE

HOUSE BILL NO. 81

"An Act prohibiting disposable plastic shopping bags; and providing for an effective date."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 32

SHORT TITLE: AK ENERGY EFFICIENCY LOANS: ELIGIBILITY
SPONSOR(s): REPRESENTATIVE(s) KREISS-TOMKINS

02/20/19	(H)	PREFILE RELEASED 1/11/19
02/20/19	(H)	READ THE FIRST TIME - REFERRALS
02/20/19	(H)	CRA, FIN
04/02/19	(H)	CRA AT 8:00 AM BARNES 124
04/02/19	(H)	Heard & Held
04/02/19	(H)	MINUTE(CRA)
04/09/19	(H)	CRA AT 8:00 AM BARNES 124

BILL: HB 81

SHORT TITLE: PROHIBIT PLASTIC RETAIL BAGS
SPONSOR(s): REPRESENTATIVE(s) JOSEPHSON

03/06/19	(H)	READ THE FIRST TIME - REFERRALS
03/06/19	(H)	CRA, L&C
04/04/19	(H)	CRA AT 8:00 AM BARNES 124
04/04/19	(H)	Heard & Held
04/04/19	(H)	MINUTE(CRA)
04/09/19	(H)	CRA AT 8:00 AM BARNES 124

WITNESS REGISTER

PAULETTA BOURNE, Grant Supervisor
Division of Community and Regional Affairs
Department of Commerce, Community & Economic Development
Fairbanks, Alaska
POSITION STATEMENT: Gave a PowerPoint Presentation on the
Community Service Block Grant Program.

PATRICK M. ANDERSON
Chief Executive Officer
Rural Alaska Community Action Program (RurAL CAP)
Anchorage, Alaska
POSITION STATEMENT: Provided information regarding the
Community Service Block Grant.

STACY BARNES, Director
Governmental Relations and Public Affairs
Alaska Housing Finance Authority
Anchorage, Alaska
POSITION STATEMENT: Provided information during the hearing on
HB 32.

MICHELLE PUTZ, Leader
Bags for Change

Sitka, Alaska

POSITION STATEMENT: Testified in support of HB 81.

SYDNEY PAULINO

Homer, Alaska

POSITION STATEMENT: Testified in support of HB 81.

LISBETH JACKSON

Hatcher Pass, Alaska

POSITION STATEMENT: Testified in support of banning plastic bags across Alaska.

MATT SEAHOLM

Executive Director

American Progressive Bag Alliance

Washington, D.C.

POSITION STATEMENT: Testified in opposition to HB 81.

BRENDA DOLMA

Homer, Alaska

POSITION STATEMENT: Testified in support of HB 81

ELISE SORUM-BIRK, Staff

Representative Andy Josephson

Juneau, Alaska

POSITION STATEMENT: Offered information regarding HB 81 on behalf of Representative Josephson, primer sponsor.

REPRESENTATIVE ANDY JOSEPHSON

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: As prime sponsor of HB 81, responded to a concern expressed during the hearing on the bill.

LISA NILSEN

Petersburg, Alaska

POSITION STATEMENT: Testified in support of HB 81.

JOHN HAVRILEK

representing self and wife

Petersburg, Alaska

POSITION STATEMENT: Testified in support of HB 81.

MARGI DASHEVSKI

Alaska Youth Environmental Association (AYEA)

Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 81.

KENGO NAGAOKA

Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 81.

SILVIA DAEUMICHEN

Fairbanks, Alaska

POSITION STATEMENT: Testified in support of a plastic bag ban during the hearing on HB 81.

ADAM HYKES

Homer, Alaska

POSITION STATEMENT: Testified in opposition to HB 81.

AMANDA SASSI

(No address provided)

POSITION STATEMENT: Testified in support of a statewide plastic bag ban during the hearing on HB 81.

NILS ANDREASSEN, Executive Director

Alaska Municipal League (AML)

Juneau, Alaska

POSITION STATEMENT: Testified and answered questions during the hearing on HB 81.

ACTION NARRATIVE

[8:02:33 AM](#)

CO-CHAIR SARA HANNAN called the House Community and Regional Affairs Standing Committee meeting to order at 8:02 a.m. Representatives Kreiss-Tomkins, Revak, Jackson, Thompson, Drummond, and Hannan were present at the call to order. Representative Claman arrived as the meeting was in progress.

**PRESENTATION(S): COMMUNITY SERVICE BLOCK GRANT PROGRAM,
DEPARTMENT OF COMMERCE, COMMUNITY & ECONOMIC DEVELOPMENT**

[8:04:00 AM](#)

CO-CHAIR HANNAN announced that the first order of business would be a presentation regarding the Community Service Block Grant Program, by the Department of Commerce, Community & Economic Development.

[8:04:34 AM](#)

PAULETTA BOURNE, Grant Supervisor, Division of Community and Regional Affairs (DCRA), Department of Commerce, Community & Economic Development (DCCED), gave a PowerPoint presentation on the Community Service Block Grant (CSBG) Program. She turned to slide 2, titled "General Information," and she related that block grant funds are allocated from the U.S. Department of Health and Human Services (HHS); the division anticipates receiving approximately \$2.3 to \$2.5 million in the federal fiscal year 2020 (FY 20); Rural Alaska Community Action Program (RurAL CAP) is the only recognized community action agency in Alaska, and by statute 95 percent of the funds received are granted to RurAL CAP; and 5 percent of the funds are used for administrative costs.

MS. BOURNE directed attention to slide 3, titled "Purpose of CSBG." She said the purpose of the grant is to alleviate the causes and conditions of poverty; revitalize low-income communities; and empower low-income families and individuals in rural and urban areas to become fully self-sufficient. Referring to slide 4, titled "State Plan," she said 42 USC 9908(3) requires states to hold at least one legislative hearing every three years in conjunction with the development of the state plan. She said the last hearing was held on March 29, 2016. She mentioned the developing stages of a federal FY 2020 state plan, which outlines the activities to undertake in the fiscal year.

[8:07:07 AM](#)

MS. BOURNE turned to slide 5, titled "Program Components." She said RurAL CAP utilizes funds to serve low-income people throughout Alaska through the following entities: Administrative Services; Development and Communications; Child Development Division; Community Development Division; Planning and Construction Division; and Supportive Housing Division. Referring to slide 6, titled "Outcome Measures," Ms. Bourne noted those measures identified in the state plan track results and report them on a quarterly basis "in terms of the number of clients who achieve a given milestone." She said progress is reviewed by RurAL CAP staff, who use the information to evaluate results and make any necessary changes. She concluded, "Both the department and RurAL CAP place a strong emphasis on promoting maximum participation by rural residents in the elimination of the causes and conditions of poverty." She said she worked with RurAL CAP in the daily administration of this grant for eight years, and indicated that RurAL CAP has demonstrated a sincere interest in aiding low-income Alaskans.

She indicated her purpose in providing information about the block grant.

[8:10:12 AM](#)

PATRICK M. ANDERSON, Chief Executive Officer, Rural Alaska Community Action Program (RurAL CAP), stated that RurAL CAP has "a long and active history in addressing poverty." He said he started in his position in January 2018. He said RurAL CAP takes its charge seriously. He said poverty in the state of Alaska is "extremely persistent," and he said he thinks it will require new initiatives in order to address the issue. He said, "We are preparing to do that." He said the board of directors will meet in May, when RurAL CAP will present to it breakthrough initiatives that will reach beyond current programs and start looking at the root cause [of poverty].

MR. ANDERSON said the first area is in community health. He related that for a number of years he had been an executive in a number of rural health care organizations that seek to establish and understand "adverse childhood experiences" or "toxic stress." He said by looking at this level of toxicity in communities, RurAL CAP hopes to identify the root cause for many of the behaviors that actually lead to poverty.

MR. ANDERSON stated that one of the issues faced is referred to as "a poverty tax." He explained as follows:

As soon as you begin to approach ... overcoming the poverty level, programming that supports your movement out of poverty starts to drop away at a very rapid rate, which means that your effective income is actually less than what you're receiving. So, if you're receiving daycare assistance, and that starts to decline after you begin to reach a certain income level, that decline is more than the income you're serving, and we hope to be able to address that ... with Congress. It's not such a huge issue ... within the state of Alaska as far as taxes go, but in terms of real income, the programing - as ... it begins to decline when you reach a certain income level - has an impact.

MR. ANDERSON stated his hope that RurAL CAP will be able to identify "a community that is interested in pursuing both goals as a system," and RurAL CAP would work with that community. He said he anticipates the board will adopt the initiative; funding

still needs to be located to pursue such an initiative with those communities that indicate an interest. He said RurAL CAP would be doing that over the next nine months.

[8:14:34 AM](#)

REPRESENTATIVE JACKSON asked how long [RurAL CAP] has existed and what the statistics are in terms of how the program has helped empower low-income individuals.

MR. ANDERSON, to the first part of Representative Jackson's question, said RurAL CAP was founded in 1965. He suggested Ms. Bourne could answer the second part of Representative Jackson's question.

[8:15:33 AM](#)

MS. BOURNE indicated that the means of reporting the numbers has changed over the years, and she said she would get that data for Representative Jackson.

[8:16:08 AM](#)

REPRESENTATIVE KREISS-TOMKINS expressed appreciation for the information regarding community services block grants and interest in having learned about mandatory reporting to the legislature every three years. He said he was compelled by Mr. Anderson's testimony regarding RurAL CAP's holistic, outcome-oriented, and evidence-driven approach. He mentioned the breakthrough initiative RurAL CAP is endeavoring to identify, as well as "the authorized expansion in social enterprise." He asked Mr. Anderson to speak to any breakthrough initiatives that RurAL CAP has already identified and to elaborate on any "initial thinking in terms of social enterprise and what that kind of work or investment might look like."

MR. ANDERSON replied that RurAL CAP is operating two breakthrough initiatives. He related that since 2004, he has been immersed in a management system, called "lean thinking." He continued:

The legislature has funded portions of the state administration in lean management activities. I followed those since the Division of Public Assistance first started in about 2009. It's not been adopted by the state, but I have been convinced of its effectiveness in a nonprofit organization and in

health care, where I have introduced it twice; this is my third, full introduction. Lean management is a specific way of ordering business in order to achieve the greatest amount of value added and to reduce nonvalue-adding activities.

The complexities within a nonprofit are because we do not have a visual process, but what I can report right now is that we have utilized lean management principles in our grant writing process. We had six individuals in that department; we now have four. Because of the way we have ordered the writing of grants, we have actually applied for new grants that are 44 percent new source for us. I didn't mention that we leveraged the CSBG funds ten-fold, and we're trying to increase that number. So, our management system is all about total quality and high efficiency, and that is working well. In addition to grant writing, we went from a 15- to 16-day month-end close of our books to the last session we had 6 days - I believe this time we've gotten down to our target of 5 days. We have a number of those kinds of initiatives going on to improve the quality, to improve the value-adding time.

We're also utilizing an innovative approach to workforce healing. Organizational trauma exists in this country in great numbers. When you look at the research, about 90 percent of people in organizations around the country are highly stressed - some toxically stressed - and we are taking a breakthrough approach to "how do we feel our own employees"? So, when we hire people, we're not aware of their load of toxic stress, and many workplaces add to it.

MR. ANDERSON offered to talk with any legislators interested in the subject the next time he travels to Juneau. In terms of social enterprise, he said RurAL CAP is already engaged in a for-profit Rural Energy business that provides discretionary operating funds for RurAL CAP and also service to rural Alaska. He said RurAL CAP is looking at hydroponics. In terms of economic development, he said a community can choose "import substitution." He explained that "the value chain" of imported produce, wherein produce can take up to two weeks to get to its destination in Alaska, and at that point the loss of water weight has reduced the value of the produce by half. He continued:

We're currently operating 24 Head Starts, and our initial foray into hydroponics is to look at the recently enacted Farm Bill by Congress. There is funding identified for loans; we're going to attempt to identify other funds In a couple of our Head Starts there is a pilot to see what is required and how well it will do. Ultimately, in certain communities we believe that hydroponics can be an effective source of cash.

MR. ANDERSON said there is a good salad bar at Fast Eddie's in Tanacross, Alaska, and he indicated that Tanacross would be a good staging area for [a hydroponic operation]. Further, he said there are military bases and school districts that are required to purchase locally sourced vegetables when available. He said that is the current thinking that is under development.

[8:23:07 AM](#)

REPRESENTATIVE DRUMMOND thanked Mr. Anderson and recognized his work in identifying the impact of Alaska's Clear and Equitable Share (ACES) [passed during the Twenty-Fifth Alaska State Legislature]. She opined that it is important to be aware of the impact of ACES on Alaskans and through every type of organization and community. She said, "I think this is a good way to spread the word and help Alaskans achieve and pull themselves out of poverty." She said she thinks hydroponics sounds like a terrific way to begin to work toward food security in rural communities.

[8:24:17 AM](#)

CO-CHAIR HANNAN thanked the presenters for "taking adverse childhood experiences at its fundamental level into programming." She said she is a career educator, and many of the experiences people have effect their ability to transform their lives. She mentioned a study by Kaiser Permanente related to the relation between [poverty] and its connection to disease and [adverse] mental health. She applauded the speakers for their work in "helping transform people out of poverty" and giving them ways to use skills and build resiliency.

HB 32-AK ENERGY EFFICIENCY LOANS: ELIGIBILITY

[8:26:28 AM](#)

CO-CHAIR HANNAN announced that the next order of business would be HOUSE BILL NO. 32, "An Act making certain entities that are exempt from federal taxation under 26 U.S.C. 501(c)(3), (4), (6), (12), or (19) (Internal Revenue Code), regional housing authorities, and federally recognized tribes eligible for a loan from the Alaska energy efficiency revolving loan fund; relating to loans from the Alaska energy efficiency revolving loan fund; and relating to the annual report published by the Alaska Housing Finance Corporation."

[8:27:22 AM](#)

CO-CHAIR HANNAN noted that the committee had heard HB 32 previously and no amendments had been submitted. She said a question had been asked about the mechanism used to bond the project with Galena, Alaska.

[8:28:35 AM](#)

STACY BARNES, Director, Governmental Relations and Public Affairs, Alaska Housing Finance Corporation (AHFC), stated that the Galena project "came forward with assets that included grants" from DCCED. She said the AHFC finance team considered the project and moved forward with "bonding outside of the Alaska Energy Efficiency Revolving Loan." She explained that was because of the size of the project and because "it was a standalone project." Thus the project was financed and moved forward.

CO-CHAIR HANNAN asked, "So, AHFC still remains with the authority to do a full \$250 million bond for applicants that could come forward if this program were expanded and needed?"

MS. BARNES answered that is correct: AHFC would have the authority to pursue "the \$250 million in authority" should the program be expanded to include the nonprofit organizations listed under HB 32. She noted, however, that historically AHFC has not gone forward with bonds of that size, so "it would likely be smaller projects."

CO-CHAIR DRUMMOND moved to report HB 32 out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, HB 32 was reported out of the House Community and Regional Affairs Standing Committee.

[8:30:50 AM](#)

The committee took an at-ease from 8:31 a.m. to 8:33 a.m.

HB 81-PROHIBIT PLASTIC RETAIL BAGS

[8:33:48 AM](#)

CO-CHAIR HANNAN announced that the final order of business would be HOUSE BILL NO. 81, "An Act prohibiting disposable plastic shopping bags; and providing for an effective date."

[8:34:30 AM](#)

CO-CHAIR HANNAN opened public testimony on HB 81.

[8:34:49 AM](#)

MICHELLE PUTZ, Leader, Bags for Change, testified in support of HB 81. She said plastics are getting into food and being ingested by humans. The toxins in plastics affect the health and reproductive systems of humans and could be affecting the health of fish. She stated that plastics last forever in the environment; plastic bags in particular litter communities and "are very hard on ... marine life." She reported that 2 million [plastic] bags are given away annually at [Sitka's] two grocery stores alone and cost stores and consumers over \$100,000 a year. Ms. Putz said a poll was taken in Sitka asking whether single-use plastic bags should be "banned, provided - but for a fee, handed out for free, or 'no opinion.'" She relayed that over 70 percent of shoppers polled randomly at Sitka's grocery stores agreed that something should be done - either banning the bags or charging a fee for them. She relayed that in a more informal poll on a more conservative site, 225 people were in support of taking action regarding bags and 195 supported taking no action. Ms. Putz said some argue that people recycle their plastic bags; however, she countered that only 1 percent of "the bags" get recycled, and it costs money to recycle.

[8:37:15 AM](#)

CO-CHAIR DRUMMOND responded that she finds it shocking that 2 million bags are being given away [annually] at Sitka's grocery stores alone.

MS. PUTZ noted that was "a quick estimate" made by [the store representatives].

CO-CHAIR DRUMMOND estimated that amounts to 2,700 bags per day/per store, if those stores operate 365 days a year.

[8:37:52 AM](#)

REPRESENTATIVE JACKSON asked if Bags for Change has approached the Sitka Assembly to ask for change as 17 communities in Alaska have.

MS. PUTZ answered yes, the group brought the issue to the assembly last year as an ordinance, which passed on first reading. She explained that "opposition came forward"; therefore, Bags for Change asked the assembly to "back off last year" and "put it on hold." This year the group is in the process of doing a citizen ballot initiative and has just begun gathering signatures to put a plastic bag ban on the ballot, along with a fee on paper bags and a provision that would allow the assembly to ticket stores that do not "follow the rule."

REPRESENTATIVE JACKSON asked if there is enough community support in Sitka to "get this ban."

MS. PUTZ answered yes. She offered her perspective that support [for a ban] seems to be growing in the community, and Bags for Change is "ready to take on this challenge."

[8:39:39 AM](#)

SYDNEY PAULINO said she was representing herself and her mother, who could not testify today. She stated support of HB 81. She opined that "we owe it to our environment and our communities to take this trash out of our oceans and off our beaches." She stated one reason is that much of Alaska's revenue results from the beauty of the state, and, if polluted, "it will no longer have that kind of effect."

[8:40:33 AM](#)

LISBETH JACKSON noted that she had not seen a copy of the proposed legislation but supports banning plastic bags across Alaska. She said plastic bags are harmful. She offered her understanding that HB 81 does not include a fee for plastic bag use, and she said she would support such a fee. She noted that single-use plastic bags under a certain mil weight have already been banned in certain communities, and in spring considerably fewer bags are littering environment. She said the communities of Palmer and Wasilla "have taken the elimination of plastic

bags in stride," with many people bringing reusable bags to do their shopping. She said this has a positive effect on landfills, waterways, and the environment.

[8:42:32 AM](#)

MATT SEAHOLM, Executive Director, American Progressive Bag Alliance, indicated that the alliance is involved with a variety of packaging products, but his testimony would focus specifically on the subject of plastic retail bags. He stated his opposition to HB 81. He said the committee should have his written testimony. Mr. Seaholm stated, "Any study that has ever been done has shown, actually, either an uptick or no actual discernible difference in the amount of waste or litter generated in the location that has implemented a ban similar to HB 81." He related a story done by National Public Radio (NPR) that morning that highlighted the unintended consequences of a proposal like [HB 81], including "the carbon footprint of the alternative," such as an increase in garbage bag sales because plastic bags are no longer being used for trash. He said the alternative, which typically is paper, takes up more space in landfills and is heavier and greater in volume in terms of transport. He said the NPR piece also touches upon "the assumption that cotton tote bags are better." He recommended the committee look at that story. He stated, "We know these policies are well-intentioned, but the fact is they really do miss the mark on sustainability."

[8:45:20 AM](#)

CO-CHAIR DRUMMOND asked how many bags are actually recycled and how many recycling centers are continuing to accept plastic bags.

MS. SEAHOLM answered that there are a number of recyclers throughout the U.S. that recycle plastic. He recollected the last number he had seen was 1.2 billion pounds of plastic. He indicated that 10-15 percent [is recycled], and while that may seem like a low number, "the primary competitor to recycling for us is actually re-use." He relayed that the recycling authority of Quebec identified that 78 percent of plastic bags are reused, predominately as trash can liners. Another recycling use of plastic bags is turning them into composite lumber that is much more durable than other lumber.

CO-CHAIR DRUMMOND noted that in Alaska there are dozens of rural communities that have no access to recycling centers, and it is

cost-prohibitive to return the plastic to an urban community with recycling capabilities. She asked Mr. Seaholm how he intends to reach out to these communities to help them to recycle.

MS. SEAHOLM prefaced his answer by stating that recycling is not the sole, end-life use for a plastic retail bag. He said there is no doubt that plastic retain bags are "the best option at the checkout counter." He mentioned environmental footprint, bags from Asia made from nonwoven polypropylene, and cotton tote bags, and he said, "Any of those have to be used so many times that overall you're just not going to offset that single re-use of [a] plastic retail bag." He clarified that even in areas where there is no recycling "that one re-use [of a plastic bag] still makes it the best option." He indicated that since Alaska has no manufacturers of plastic or paper retail bags, the plastic retail bag [weighs less] than the paper bags to ship to the state.

[8:49:45 AM](#)

BRENDA DOLMA testified in support of HB 81. She said it was legislation that would aid in the protection of Alaskans, animals and waterways in the state, and visitors to the state - not corporations. She related that [Homer] has "boomerang bags," which are made from already existing materials, such as t-shirts. She suggested other communities could consider using similar bags. She noted more than 1.96 million tourists spend thousands of dollars to visit Alaska and "don't want to see 'tundra tumbleweeds' floating around." She surmised that tourists that come to fish would [care] about the impact of plastics on water life. She indicated that [HB 81] would speak for the wildlife that cannot speak for itself. Ms. Dolma said Alaska has 8 national parks, 16 wildlife refuges, and 33,900 miles of coastline.

MS. DOLMA referred to language in HB 81, [Section 1, subsection (b), paragraph (2), subparagraph (B), on page 2, lines 26-27], which would include under the definition of "retail seller" a retail establishment "that has annual gross sales of \$250,000 or more in the previous calendar year". She questioned whether that would allow rural communities falling below that mark to ban plastic bags.

[8:51:58 AM](#)

ELISE SORUM-BIRK, Staff, Representative Andy Josephson, on behalf of Representative Josephson, prime sponsor of HB 81, responded that Ms. Dolma expressed a valid concern, and she suggested the committee could look into amending the amount to a smaller figure.

[8:52:28 AM](#)

REPRESENTATIVE ANDY JOSEPHSON, Alaska State Legislature, as prime sponsor of HB 81, said the issue came up in the House Community and Regional Affairs Standing Committee a year ago. He said he would not take offense at any attempt by the committee to lower that threshold.

[8:52:58 AM](#)

LISA NILSEN testified in support of HB 81. She said she has been a retailer for over six years, and her shop does not use single-use plastic bags. She said as a mother of five children, she feels responsible for teaching them by example the many options for transporting purchases. She said as a fisherman's wife, she hears about the negative effect of single-use plastic bags on ocean life. She indicated her husband has expressed shock over the single-use plastic debris on the beaches. Ms. Nilsen shared that she was born and raised in Kake, Alaska. She said she is passionate about discontinuing single-use plastic bags in Alaska. She noted that Northwestern and Coastal indigenous communities in Alaska began banning single-use plastic bags approximately 15 years ago. She said she believes it is time for Southeast Alaska "to get onboard with everybody else." She said she listened to [Mr. Seaholm] and she thinks "they found their solution for their plastic bags in composite lumber products." She opined that it is the right time to pursue the goal of no longer using single-use plastic bags.

[8:55:18 AM](#)

JOHN HAVRILEK stated that he was testifying on behalf of himself and his wife. He said he supports the ban of plastic bags. He shared that he has been a resident of Alaska for 50 years and is no stranger to pollution, having moved from Cleveland, Ohio, where he witnessed the Cleveland River catch on fire. He said he is proud that attempts are being made by the State of Alaska to ban [single-use] plastic bags. He said he and his wife have been using the same "recyclable bags" for 10 years now. He said the most important thing is to keep the beaches clean. He explained that he lives on the water along the Wrangell Narrows,

and he picks up plastic off the beach and out of the water daily, so he would love "to see them disappear permanently."

8:56:55 AM

MARGI DASHEVSKI, Alaska Youth Environmental Association (AYEA), testified in support of HB 81. She said there are dozens of Alaska students across the state who, over the past year, have lead campaigns to ban single-use plastic bags; they have collected 766 petition signatures in support of a statewide ban. She read the language of the petition, which extolled the benefits of banning plastic bags statewide. She said she sees the young adults she works with as visionaries for the next generations. She echoed the testimony of Ms. Dowling that banning plastic bags would be a strong step forward for Alaska.

8:58:53 AM

KENGO NAGAOKA testified in support of HB 81, which he called common sense legislation. He noted that the Municipality of Anchorage recently passed an ordinance related to a plastic bag ban, and it would be taking effect soon. He said [banning single-use plastic bags] is "a positive thing to do for our environment and our water and our tourism." He said he is aware many communities in the state have already instated such bans, and he opined that it is time for the state to support those communities. He expressed support for high school students working on campaigns around the state to reduce use of single-use plastic. He recognized Homer as addressing the issue soon. Mr. opined that banning plastic bags is not enough; the state must encourage alternatives and ensure those alternatives are accessible to all Alaskans. He said in Anchorage, many residents use [public] transit or walk to buy their groceries, and he wants to make sure reusable bags are accessible and "the paper alternatives don't have an excessive fee on them." He encouraged the committee to think of "the equity components of this proposition, as well." He thanked Representative Josephson for sponsoring HB 81, and he encouraged those who may be "on the fence" to take a closer look at the proposed legislation.

9:01:30 AM

SILVIA DAEUMICHEN testified in support of a plastic bag ban. She said she works with a group of children ages 9-13, who are worried about the adverse effects of plastic on the environment. There are about 10 children in the group, and they call themselves "Kids' Environmental Action." She said, "We feel

that humans need to take better care ... of our home planet and of the animals, and banning the plastic bags would be a big step." She said she does not use plastic bags; she lines her trash can with newspaper, as she learned to do growing up in East Germany. She encouraged less plastic use in general, especially in Alaska where it is not very feasible to recycle plastic. She opined that efforts should be made to transition to the use of compostable plastic bags, which break down in the landfills and do not release toxic chemicals. She said Kids for Environmental Action have done some research. Regarding the recycling of plastic bags, she mentioned a low rate of 5 percent. She stated that in Fairbanks "there is no way of recycling." She noted that Kids for Environmental Action is part of the Savings Planet Coalition; therefore, she reflected that she could say she was speaking for hundreds of people who would be in support of HB 81.

[9:04:01 AM](#)

ADAM HYKES testified in opposition to HB 81. He said he "loves the environment" and picks up trash from the side of the road, but he sees the issue as being "a people problem" not "a plastic bag problem." He added, "This plastic didn't ... [make] a jail break from the grocery store; people put them there." He referred to the Prohibition on alcohol and "how that worked out," and he indicated that any prohibition, although well-intended, costs money to enforce. He opined that it is not job of government to pay for [enforcing a ban] but is the responsibility of citizens. He said the amazing organizations he has heard about "should continue to do what they do," because "this is a problem." He said he does not think the legislature is considering the cost that would be involved with enforcing a [single-use plastic bag] ban, including the punishment involved if people ignore the ban. Mr. Hykes said he loves living in Homer and Alaska, but restated his position that [the proposed] ban is not the job of the government. He said he works in a grocery store that uses a lot of plastic bags. If paper bags had to be used, he indicated, the price of doing so would be passed along to the customers. He said the state does not have enough money currently to spend "on new laws" or "putting it on the shoulders of citizens." He concluded, "So, as much as I love this effort, I am not in support of this House bill."

[9:06:22 AM](#)

AMANDA SASSI testified in support of a statewide plastic bag ban. She stated that single-use plastic is detrimental to the

environment, and Alaska's environment, in particular, is sensitive. She opined that using less plastic would mean less plastic in trees and waterways, which would ultimately keep plastic out of animals that people could be eating. She expressed appreciation for the effort being made [under HB 81] and said she hopes "it is considered."

[9:07:58 AM](#)

NILS ANDREASSEN, Executive Director, Alaska Municipal League (AML), said he cannot speak for or against "the prohibition of disposable plastic shopping bags," but he would speak to Article 10 of the Alaska State Constitution, regarding the maximization of local self-government. He said, "When we do any statewide preemption of local decision-making, we come back to local control and really giving communities the opportunity to speak for or against something ... of this nature." He opined that "the comments from Sitka" were relevant, in terms of bringing the ban issue before the community, addressing opposition, and potentially changing the minds of community members through public education, campaigning, and advocacy. He said he thinks every community should have that opportunity. He said there are ways to improve HB 81, including to give municipalities the opportunity to opt in or out of a stateside decision. He said AML would be interested in implementation grants, "to walk through what implementation looks like at the local level." He offered to work with the bill sponsor to assess local interest and better understand the implications of HB 81. He reemphasized AML's interest in local control and the maximization of local government.

[9:10:08 AM](#)

CO-CHAIR DRUMMOND asked about the unorganized boroughs, for which the legislature has the responsibility to act as assembly.

MR. ANDREASSEN answered that to the extent the Alaska State Legislature acts as the assembly for unorganized boroughs, it can make decisions related to those boroughs; however, there are 165 incorporated cities and boroughs in Alaska, for whom the legislature is not the assembly, and it is to those he is speaking, because they have local decision-making in place.

CO-CHAIR DRUMMOND queried, "So then, it is our responsibility to make those ... kinds of decisions for the unorganized borough, and they're not in the purview of the [Alaska] Municipal League?"

MR. ANDREASSEN replied, "For that borough, yes."

[9:11:21 AM](#)

REPRESENTATIVE KREISS-TOMKINS asked Mr. Andreassen if he is aware of any laws the legislature has passed that apply exclusively to "the unorganized borough within Alaska."

MR. ANDREASSEN answered no.

REPRESENTATIVE KREISS-TOMKINS expressed curiosity as to whether the bill sponsor or anyone else on the committee is aware of that.

[9:11:56 AM](#)

REPRESENTATIVE JACKSON asked [Representative Kreiss-Tomkins] whether he was aware of any other laws the legislature had passed in that regard.

REPRESENTATIVE KREISS-TOMKINS shook his head no.

[9:12:12 AM](#)

REPRESENTATIVE CLAMAN mentioned that during debate on a recent statewide smoking ban, consideration was made both to an "opt-out" and "opt-in" clause. A statewide ban was enacted, but communities could opt out. He noted that Sitka attempted to opt out, but voters voted that down. In light of the concern regarding unorganized boroughs, he asked Mr. Andreassen whether he thought it would make more sense to offer an opt-in provision rather than an opt-out provision.

MR. ANDREASSEN answered that he thinks an opt-in provision would maximize local control more than an opt-out option would. He indicated that giving the decision to the community to make would be positive. To the question of the unorganized boroughs and decisions that could be made in their interest, he noted that there are both home rule and first-class cities within unorganized boroughs that make decisions on behalf of their residents; therefore, it is not a clear-cut case that the legislature could make decisions on behalf of unorganized boroughs and not impact "the incorporated cities therein." He suggested the legislature would want to "work with those cities to really understand what that looks like." He said AML has had some communication with unorganized boroughs, many of which have

expressed interest in strengthening communication with the legislature by establishing a "feedback group" between the borough and legislature. He said he thinks that is work that can be done and for which AML could offer assistance.

[9:15:06 AM](#)

CO-CHAIR HANNAN closed public testimony on HB 81.

[9:15:21 AM](#)

REPRESENTATIVE THOMPSON, to the bill sponsor, said he has a problem with the enforcement aspect of HB 81. He pointed out that in reading the analysis on the back of the fiscal note, it seems as though the Department of Environmental Conservation (DEC) has no interest in seeking out violations or conducting any routine inspection. He said the proposed legislation would throw more onto DEC when the department cannot keep up with its current workload. He asked, "How are they going to enforce this?"

[9:16:31 AM](#)

REPRESENTATIVE JOSEPHSON offered his understanding that "there would be mostly compliance." For example, there would be situations like that in Anchorage, where citizens overwhelmingly passed the ban and allowed time for existing bag supplies to be depleted. He predicted that people will know there is a ban and will comply with it, and "they won't be ordering that inventory anymore."

REPRESENTATIVE THOMPSON opined that there are "so many holes" in [HB 81]. He said packaging for bulk grains, fruits, nuts, vegetables, bakery goods, "or other full food products" would be excluded. He suggested that "other full food products" means anything a person would buy in a grocery store. He expressed confusion as to how the ban would actually be enforced. He emphasized that he thinks local control is "a big part of this, too."

REPRESENTATIVE JOSEPHSON, regarding the "other full food products", said he thinks this means items that need "some sort of container." He indicated that this language was designed to provide "some ease for the customer." He stated, "The test of the bill isn't absolute purity; it's improvement."

[9:18:57 AM](#)

MS. SORUM-BIRK added that last year, when a previous version of the proposed legislation was heard, a concern was "sanitation in grocery stores." She explained, "It might be unsanitary to ... have a meat product touching your fruit in your reusable bag." She directed attention to statute, AS 04.16.120, mentioned in bill language on page 2, line [5], and she noted there are specifications regarding, for example, how an unfinished wine bottle must be sealed in order for the consumer to take the bottle home. She explained that the exceptions are created to make things "safe" and "sanitary." Regarding local control, Ms. Sorum-Birk said she does not have an answer but thinks that is something that should be considered further. She said she thinks "this would be very beneficial for the unorganized borough," but she indicated the question should be asked as to where a limit should be on local control when considering benefits to the environment and to local communities.

REPRESENTATIVE JOSEPHSON added that while he respects the concerns and interests of local authorities, it is typical that the legislature passes legislation that makes impacts statewide. Regarding the opt-out issue, he said he thinks that would "invite a discussion statewide of this issue and would not be offensive to the principals of the bill." He said he would welcome an amendment to the bill to that effect. He said there is a huge amount of support for HB 81 from across the state, and he thinks environmental concerns and tourism concerns make this a critical issue.

[9:22:44 AM](#)

REPRESENTATIVE REVAK indicated he found Representative Thompson's remarks that plastic bags had been the answer to paper bags at one point interesting. He said his research brought him to a Scottish report - a full environmental assessment report released in 2005 - and he asked if the bill sponsor was familiar with the study.

[9:23:24 AM](#)

MS. SORUM-BIRK answered no, but said she has looked at a recently conducted Danish study, as well as a 2008 United Kingdom Environmental Agency study.

REPRESENTATIVE REVAK indicated that in the study "and four others listed," in "almost every environmental issue," paper bags were "far more ... negatively impacting to the environment

than the production of plastic bags." The one area in which the study found plastic bags to be more detrimental was in "the risk of litter." He listed some categories: primary energy consumption, consumption of water, climate change, emission of greenhouse gases, acid rain, atmospheric acidification, air quality, ground-level ozone production, and solid waste production. He asked why, if paper bag consumption is considered far more detrimental to the environment, it is not considered in HB 81.

[9:24:49 AM](#)

REPRESENTATIVE JOSEPHSON noted that in past reiterations of this legislation, in former legislative sessions, there was language proposing a fee for paper products. The paper industry pushed back on that, he said. He emphasized that he would welcome such an amendment. Notwithstanding that, he requested that committee members ask themselves the following question: "Are we solving plastics problems one bit at a time, starting with plastic bags, or are we just pushing this off because it's unsolvable?" He opined that to say that "this just won't work" without offering an alternative "is no alternative at all." He said he stands with Representative Revak's former boss, Senator Dan Sullivan, who has expressed concern about "ocean plastics." Representative Josephson exclaimed, "I am tired of reading about whales opened up with 50 pounds of plastic inside them. This is not a sustainable future, and this is a place where we can intervene."

[9:26:18 AM](#)

REPRESENTATIVE JACKSON noted 24 communities were "listed." She said she is an advocate for local accountability. She asked how many businesses in Alaska are "affected with plastic bags" in producing or where "that is their business."

REPRESENTATIVE JOSEPHSON responded that he thinks "no one does that." He recollected there had been testimony to that effect previously.

REPRESENTATIVE JACKSON suggested people concerned can start cleaning up plastic bags. She indicated that plastic bag use had come about because of environmental studies done regarding cutting down trees [to produce paper bags]. She said it seems like "an endless circle ... for us as a state to take the time to mandate what people use and what people don't use." She questioned how the law would be enforced.

[9:28:47 AM](#)

MS. SORUM-BIRK said there are studies that show it takes more energy to produce a paper bag and a lot more to produce a cloth bag. However, each of those studies misses a key point, which is the environmental impact of the litter on the marine environment and how single-use plastics impact the marine ecosystem and resources.

REPRESENTATIVE JACKSON said if she uses a cotton bag to go food shopping, there would be germs accumulating in the bag that she would have to use water and electricity to eliminate.

[9:30:42 AM](#)

REPRESENTATIVE KREISS-TOMKINS expressed appreciation to the sponsor and testifiers. He said there are two goals in HB 81: [reduction of] litter and reduction of resource expenditure. He focused on the latter. Per Representatives Revak's questions and the studies mentioned by Ms. Sorum-Birk, he asked, "You accept the conclusion of resource consumption expenditure for plastic bags versus alternatives, such as paper, or, if you don't, what do you dispute about those studies?"

REPRESENTATIVE JOSEPHSON deferred to Ms. Sorum-Birk, but noted that someone today had testified that he/she has used the same bags for a decade. He added that when someone calls in from the American Plastics Progressive Alliance, he has to question that person's motivation.

MS. SORUM-BIRK said she somewhat agrees with the analyses done on energy expenditure needed, but what they are not considering is whether the materials are a renewable or nonrenewable resource. She said plastics are made from a nonrenewable resource, which could be an issue in the future. She relayed that Americans use approximately 100 billion plastic bags per year, which requires about 12 million barrels of oil to manufacture. She said, "It only takes about 14 plastic bags for the equivalent of gas to run one mile." Regarding carbon footprint, she said it is true that polyethylene requires low energy to produce, is cheap and cost-effective, and is recyclable; however, [only] "about 1 percent of bags throughout the U.S. are recycled." She said the issue of carbon footprint is real and so is the issue of how many times people reuse a product, but that is true for any product, whether it be plastic, paper, or canvas.

REPRESENTATIVE KREISS-TOMKINS noted that the studies are not exclusively from the industry, but the study mentioned by Representative Revak and "other lifecycle analyses" are often from pro-environment governments considering resource consumption impact. He said that is one side. The other is litter reduction. He said he picks up trash along the road and off the beach, so he feels "engaged in the question." He observed that the assumption seems to be that the elimination of single-use disposable plastic bag use will decrease the amount of plastic pollution. He said he has not seen that relation and wonders "how that cause and effect assumption is substantiated."

MS. SORUM-BIRK responded that she had looked for data showing what percentage of debris in the marine environment was plastic. She said she could not find data on the North Pacific, but a European study of 2016 showed that about 7 percent of marine debris was plastic bags.

[9:37:05 AM](#)

REPRESENTATIVE JOSEPHSON said part of what the legislature considers daily is the question of what has political viability. He noted that there is statewide momentum - even from the conservative areas of Wasilla, Palmer, and Soldotna - to ban [single-use] plastic bans. He suggested one reason may be "the visual insult" of plastic in an otherwise pristine wilderness. He stated concern that if focus is given to the issue being only a small percent of the total problem, then it will be "easy to retreat from the issue." He suggested that trying to expand the bill to include other forms of plastic in the ban "could do jeopardy to what life the bill has." He emphasized that 18 diverse communities have said they want the ban, and he is "honoring their efforts."

[9:38:38 AM](#)

REPRESENTATIVE REVAK asked if the bill sponsor had considered an exemption for biodegradable plastics.

MS. SORUM-BIRK answered that the issue with biodegradable plastics in Alaska is that they take a certain amount of heat to biodegrade in a special industrial level composting facility, of which she speculated there may be one in all Alaska, in Anchorage. She said she has tried to compost biodegradable plastics, and it takes "a very hot compost for that to work" - ideally at the industrial level.

9:39:31 AM

CO-CHAIR HANNAN announced that HB 81 was held over.

9:40:18 AM

ADJOURNMENT

There being no further business before the committee, the House Community and Regional Affairs Standing Committee meeting was adjourned at 9:40 a.m.