

ALASKA STATE LEGISLATURE
SENATE LABOR AND COMMERCE STANDING COMMITTEE

February 11, 2020
1:52 p.m.

MEMBERS PRESENT

Senator Click Bishop, Chair
Senator Gary Stevens, Vice Chair
Senator Joshua Revak

MEMBERS ABSENT

Senator Mia Costello
Senator Elvi Gray-Jackson

COMMITTEE CALENDAR

SENATE BILL NO. 47

"An Act relating to the State Physical Therapy and Occupational Therapy Board; relating to the practice of physical therapy; and relating to the practice of occupational therapy."

- MOVED CSSB 47(L&C) OUT OF COMMITTEE

SENATE BILL NO. 76

"An Act repealing the Workers' Compensation Appeals Commission; relating to decisions and orders of the Workers' Compensation Appeals Commission; relating to superior court jurisdiction over appeals from Alaska Workers' Compensation Board decisions; repealing Rules 201.1, 401.1, and 501.1, Alaska Rules of Appellate Procedure, and amending Rules 202(a), 204(a) - (c), 210(e), 601(b), 602(c) and (h), and 603(a), Alaska Rules of Appellate Procedure; and providing for an effective date."

- MOVED CSSB 76(L&C) OUT OF COMMITTEE

SENATE BILL NO. 81

"An Act relating to electric and telephone cooperatives; and relating to telephone service and related telecommunications services."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: SB 47

SHORT TITLE: PHYSICAL/OCCUPATIONAL THERAPY BD/PRACTICE

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

02/08/19 (S) READ THE FIRST TIME - REFERRALS
02/08/19 (S) L&C, FIN
02/06/20 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
02/06/20 (S) Heard & Held
02/06/20 (S) MINUTE(L&C)
02/11/20 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)

BILL: SB 76

SHORT TITLE: REPEAL WORKERS' COMP APPEALS COMMISSION

SPONSOR(s): SENATOR(s) WIELECHOWSKI

03/06/19 (S) READ THE FIRST TIME - REFERRALS
03/06/19 (S) L&C, JUD, FIN
01/28/20 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
01/28/20 (S) Heard & Held
01/28/20 (S) MINUTE(L&C)
01/30/20 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
01/30/20 (S) Heard & Held
01/30/20 (S) MINUTE(L&C)
02/11/20 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)

BILL: SB 81

SHORT TITLE: TELEPHONE COOPERATIVES; TELECOMMUNICATIONS

SPONSOR(s): SENATOR(s) HUGHES

03/06/19 (S) READ THE FIRST TIME - REFERRALS
03/06/19 (S) L&C
02/11/20 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)

WITNESS REGISTER

ANDY HEMENWAY, representing self
Juneau, Alaska

POSITION STATEMENT: Addressed matters raised during previous hearings on SB 76.

SENATOR SHELLEY HUGHES
Alaska State Legislature &
Juneau, Alaska

POSITION STATEMENT: Sponsor of SB 81

DAWSON MANN, Intern

Senator Shelley Hughes
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Introduced and delivered the sectional analysis for SB 81.

RYAN PONDER, Director
Legal, Regulatory and Government Affairs
Matanuska Telephone Association
Palmer, Alaska

POSITION STATEMENT: Testified in support of SB 81.

MICHAEL BURKE, CEO
Matanuska Telephone Association
Palmer, Alaska

POSITION STATEMENT: Testified in support of SB 81.

CHRISTINE O'CONNOR, Executive Director
Alaska Telecom Association
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 81.

CRYSTAL ENKVIST, Executive Director
Alaska Power Association
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 81.

ACTION NARRATIVE

[1:52:58 PM](#)

CHAIR CLICK BISHOP called the Senate Labor and Commerce Standing Committee meeting to order at 1:52 p.m. Present at the call to order were Senators Stevens, Revak, and Chair Bishop.

SB 47-PHYSICAL/OCCUPATIONAL THERAPY BD/PRACTICE

[1:54:14 PM](#)

CHAIR BISHOP announced the consideration of SENATE BILL NO. 47, "An Act relating to the State Physical Therapy and Occupational Therapy Board; relating to the practice of physical therapy; and relating to the practice of occupational therapy."

He recapped that the committee heard the bill on February 6 [and adopted Version U committee substitute], public testimony was

taken, and the fiscal note was discussed. Finding no questions or comments, he solicited a motion.

[1:54:28 PM](#)

SENATOR STEVENS moved to report the CS for SB 47, work order 31-LS0109\U, from committee with individual recommendations and attached fiscal note(s).

CHAIR BISHOP announced that without objection, CSSB 47(L&C) was reported from the Senate Labor and Commerce Standing Committee.

[1:54:49 PM](#)

At ease

SB 76-REPEAL WORKERS' COMP APPEALS COMMISSION

[1:55:51 PM](#)

CHAIR BISHOP announced the consideration of SENATE BILL NO. 76, "An Act repealing the Workers' Compensation Appeals Commission; relating to decisions and orders of the Workers' Compensation Appeals Commission; relating to superior court jurisdiction over appeals from Alaska Workers' Compensation Board decisions; repealing Rules 201.1, 401.1, and 501.1, Alaska Rules of Appellate Procedure, and amending Rules 202(a), 204(a) - (c), 210(e), 601(b), 602(c) and (h), and 603(a), Alaska Rules of Appellate Procedure; and providing for an effective date."

He recapped that this was the third hearing. The committee adopted Version M committee substitute on January 28, the fiscal note was discussed, and public testimony was open.

He invited Mr. Hemenway to provide testimony.

[1:56:17 PM](#)

ANDY HEMENWAY, representing self, Juneau, Alaska, advised that he retired as Chair of the Workers' Compensation Appeals Commission ("appeals commission") in 2016, but was testifying today on his own behalf to address matters raised at previous hearings. This included the policy issues related to the force of legal precedent and the significance that has by retaining the appeals commission; the benefit the appeals commission provides to help self-represented claimants through the process; and the timeliness of decisions by the Workers' Compensation Appeals Commission as compared to ones issued by superior court. He said these matters have elicited testimony this year and in prior iterations of the bill.

MR. HEMENWAY said he would talk about the financial aspects in terms of absolute dollars and the suggestion that the commission is not providing as much bang for the buck as the legislature would like. He said previous testimony that the cost of the appeals commission is about \$0.5 million annually is not exactly accurate. The appropriation for the appeals commission is \$400,000, but the actual cost is approximately \$323,000 per year. He explained that the appeals commission is funded from a \$9 million fund entirely derived from fees and insurance premiums from the employer community. He offered his understanding that if the appeals commission were disbanded, those funds would be used by the department for other programs within the purview of that fund. Thus, eliminating the appeals commission may not result in any real reduction of the overall budget. He offered his view that \$323,000 was not a very significant amount of the total \$9 million fund.

1:58:45 PM

MR. HEMENWAY said the suggestion has been that the appeals commission doesn't provide a lot of bang for the buck. However, when comparing the caseload and number of decisions issued by the appeals commission with ones issued by the appellate courts in the Alaska Court System, the costs are fairly comparable. The appellate courts line item appropriation is \$7.1 million as opposed to \$320,000 for the appeals commission. For \$7.1 million, the superior court covers 664 cases per year, on a five-year average. For comparison he multiplied the appeals commission budget appropriation of \$323,000 by 22 (323,000 times 22 equals approximately 7.1 million). The result would be 550 cases, which he described as not all that significant on a dollar per case comparison.

The two appellate courts that have the force of precedence issue 18 decisions per justice per year in the Alaska Supreme Court and 14 decisions per judge per year in the Court of Appeals, as compared to 9 decisions per year by the appeals commission. He acknowledged that there is a difference but pointed out that each Court of Appeals judge has two law clerks and each Alaska Supreme Court judge has three law clerks. These clerks help prepare the record, set up the legal arguments for the judges' consideration, and help draft the decisions. The appeals commission has no clerks but has two lay commissioners who provide insight and perspective in terms of industry and the employees. The chair of the three-member appeals commission operates as a solo unit without any other legal assistance. He related that in his experience it would have been helpful to have law clerks or other attorneys to prepare the record,

consider the legal arguments, and help draft decisions in these complex cases. He said he appreciates the concern that the commission doesn't always get it right, but a lot more resources are directed at these cases at the Supreme Court level than there can be at the appeals commission

MR. HEMENWAY reviewed the reversal rate. He said the appeals commission was reversed in the first five appeals to the Alaska Supreme Court. But over the last ten years, their affirmance rate has been about 60 percent, reversal rate less than 30 percent, and about 15 percent were a split decision. He opined that in the past ten years, the appeals commission record is substantially equivalent to the superior court record on appeals to the Alaska Supreme Court.

MR. HEMENWAY referenced the testimony that the percentage of cases appealed to the Alaska Supreme Court has gone up. He pointed out that the number of appeals commission cases appealed to the ASC is almost identical to what it was prior to the creation of the appeals commission. Currently, about 9 cases per year are appealed to the Alaska Supreme Court. According to the testimony at the time the appeals commission was created, about 8 cases were appealed per year. This is not a significant difference, he said. Finally, he said that the argument that the appeals commission doesn't give value for the money is mistaken. The three-member appeals commission gives good value for a small amount of money. He said he hopes that members keep this in mind as the bill progresses through the legislature.

[2:03:57 PM](#)

SENATOR STEVENS thanked him for his service. He recalled that in 2019, there were 7 decisions appealed to the Alaska Supreme Court; 2 were confirmed and 5 were reversed. He said that seems like a substantial number of reversals.

MR. HEMENWAY replied he also heard that testimony, but he questioned it because the data doesn't support that assertion. First, none of the cases that were appealed in 2019 have been decided so those data points aren't available. Further, the chart in members' packets that shows outcomes of cases that were appealed to the appeals commission does not support that testimony. That chart shows that in 2018, 6 of 11 cases that were appealed are still pending, 2 were affirmed, and 1 was reversed. In 2017, the appeals commission decided 6 cases; 4 were affirmed, and 2 were reverse. In 2016, 2 cases were affirmed, and one was reversed. He said he was not aware of a particular timeframe in which 5 of 7 cases were reversed. He

offered to research the cases because that isn't what the information in members' packets indicates.

[2:06:29 PM](#)

CHAIR BISHOP closed public testimony, noted that the bill had two more committees of referral, and solicited a motion.

[2:06:44 PM](#)

SENATOR STEVENS moved to report the CS for SB 76, work order LS-310493\M, from committee with individual recommendations and attached fiscal note(s).

There being no objection CSSB 76(L&C) was reported from the Senate Labor and Commerce Standing Committee.

[2:07:06 PM](#)

At ease

SB 81-TELEPHONE COOPERATIVES;TELECOMMUNICATIONS

[2:08:07 PM](#)

CHAIR BISHOP reconvened the meeting and announced the first hearing of SENATE BILL NO. 81, "An Act relating to electric and telephone cooperatives; and relating to telephone service and related telecommunications services."

[2:08:26 PM](#)

SENATOR SHELLEY HUGHES, Alaska State Legislature, Juneau, Alaska, sponsor of SB 81, related that a year or two ago when she was visiting with members of her local telephone co-op, she suggested that the term "telephone" should be changed to reflect the broader scope of service. The members said they had a bill on that point and asked if she would like to carry it. She agreed.

SENATOR HUGHES explained that SB 81 would provide updates to allow telephone cooperatives to use current technology and conduct business more efficiently. This will help co-op members engage more effectively and allow telephone associations to use updated terminology to describe themselves. The bill will also allow cooperatives to discuss personnel matters and competitively sensitive information in executive session. This language mirrors existing statutes.

[2:12:02 PM](#)

DAWSON MANN, Intern, Senator Shelley Hughes, Alaska State Legislature, Juneau, Alaska, paraphrased the following sponsor statement for SB 81: [Original punctuation provided.]

Senate Bill 81 updates the Electric and Telephone Cooperatives Act to allow cooperatives the ability to assimilate twenty-first-century technology into their governance process and to update their name to better communicate the services they provide.

SB 81 will allow cooperatives to adopt into their bylaws the options of providing members with electronic notice of membership meetings, conducting annual meetings through teleconference, and counting voting members who attend via teleconference for the purposes of a quorum. These provisions will allow cooperatives to more thoroughly engage their members and allow members to more readily take an active role regardless of their location, the weather, the cost or any other obstacle that may be a challenge for in-person attendance.

Over half a dozen electric and telephone cooperatives have the word "association" in their name due to their creation prior to the statutory requirement to have "cooperative" in their name. SB 81 allows the word "association" in place of the word "cooperatives" in the name of the cooperative. Additionally, SB 81 allows telephone cooperatives to use the words "telecommunications" or "telecom" in place of 'telephone' in the cooperative's name. These simple changes will allow these cooperatives the flexibility to make changes to their name to one that is a more suitable descriptor of the services they provide.

By supporting these simple and yet effective changes to the Electric and Telephone Cooperatives Act that are proposed in SB 81, we will be affording Alaska's electric and telephone cooperatives throughout the state the ability to represent the services they offer more appropriately via the names of their entities and to conduct business as a cooperative in a more practical manner using the very technologies they currently provide to the public.

MR. MANN delivered the following sectional analysis for SB 81:

[2:14:00 PM](#)

Sections 1-3 Alaska Cooperative Corporation Act; Page 1.

Sec. 1 - AS 10.15.005 Page 1, Lines 4-8

Section one adds "related telecommunications service" to the list of excluded purposes, for the type of cooperative under the Alaska Cooperative Corporation Act from which electric and telephone services are already excluded.

Sec. 2 - AS 10.15.575 Page 1, Lines 9-14, Page 2, Line 1

This section adds "related telecommunication service" to the list of cooperative types exempted from restrictions on the use of the term "cooperative" in its title under the Alaska Cooperative Corporation Act.

Sec. 3- AS 10.15.585 Page 2, Lines 2-8

This section adds "related telecommunication service" to the list of cooperatives types exempted from the application of the Alaska Cooperative Corporation Act.

Sections 3-21 Electric and Telephone Cooperative Act; Pages 1-3.

Sec. 4- AS 10.25.010(a) Page 2, Lines 9-31, Page 3, Lines 1-14

This section adds "related telecommunications service" to the list of physical line types that cooperatives have the power to maintain under and across public lands through the Electric and Telephone Cooperative Act.

Sec. 5 - 10.25.030(a) Page 3, Lines 15-31, Page 4, Line 1

This section broadens the purpose of telephone cooperatives to cover all related telecommunications services and allow cooperatives to offer a full range of telecommunication services.

Sec. 6 - AS 10.25.040(a) Page 4, Lines 2-5

This section adds "telecommunications" and "telecom" to the list of potential terms mandated in the name of cooperatives based on services. It also allows for the use of the term "association" in the naming of a

cooperative and changes the abbreviation for cooperatives to "Inc."

Sec. 7- AS 10.25.080(a) Page 4, Lines 6-11.

This section adds "related telecommunications" to the list of services an individual agrees to use to be considered a member of the cooperative under the Electric and Telephone Cooperative Act.

Sec. 8 - AS 10.25.090(a) Page 4, Lines 12-18

This section removes the explicit obligation for cooperatives to hold member meetings at a time and place outlined in their bylaws and instead directs them to conduct meetings more generally as their bylaws direct. It also clarifies that the relevant bylaws in this section are the bylaws of the cooperative. This section also allows for the annual meetings of cooperatives to be conducted through teleconference unless prohibited by cooperative bylaws.

CHAIR BISHOP noted that the bill would also allow cooperatives to conduct meetings by teleconference.

MR. MANN agreed and continued the sectional.

Sec. 9 - AS 10.25.090(c) Page 4, Lines 19-22

This section removes the explicit obligation for cooperatives to hold district delegate meeting at a time and place outlined in their bylaws and instead directs them to conduct meetings more generally as their bylaws direct. It also clarifies that the relevant bylaws for this section are the bylaws of the cooperative.

Sec. 10- AS 10.25.100 Page 4, Lines 23-31, Page 5, Lines 1-8

This section adds the use of electronic mail and text messages to the list of acceptable means of communicating notices of regular and special meetings of a cooperative. This section also provides further clarification of the time restrictions of notices of meetings while also outlining what constitutes being given "notice" with relation to email and text notifications.

Sec. 11- AS 10.25.110(a) Page 5, Lines 9-19

This section establishes that individuals considered present under 10.25.110 (c) may be considered present to make a vote to adjourn in circumstances in which quorum has not been met.

[2:18:25 PM](#)

Sec. 12- AS 10.25.110 Page 5, Lines 20-22

This section adds subsection (c) to 10.25.110 which allows for those members or delegates that vote electronically to be considered having attended the meeting.

Sec. 13 - AS 10.25.175(a) Page 5, Lines 23-31

This section removes "similar communications equipment " from the description of authorized teleconference meetings for a cooperative board of directors.

Sec. 14 - AS 10.25.175(c) Page 6, Lines 1-13

This section adds "personnel matters" and "matters the immediate knowledge of which could have an adverse effect on the ability of the cooperative to compete in the market served by the cooperative" to the list of subjects of discussion in an executive session.

Sec. 15- AS 10.25.290(a) Page 6, Lines 15-19

This section adds "related telecommunications services" to the list of services that a corporation could supply to be permissible to convert to a cooperative once it has met the requirements of this chapter.

Sec. 16 - AS 10.25.430 Page 6, Lines 20-31, Page 7, Lines 1-3

This section replaces references to 7 U.S.C. 901 - 950B with 7 U.S.C. 901 - 950bb-2 and removes "of 1936" from the references to the Rural Electrification Act of 1936 to update the chapters references to federal law.

Sec. 17 - AS 10.25.460 Page 7, Lines 4-12

This section adds "a domestic or foreign corporation authorized to transact business in the state whose business office is identical with the registered office" to the types of agents a cooperative is required to maintain in the state.

Sec. 18- AS 10.25.810 Page 7, Lines 13-17

This section adds "related telecommunications service" to the list purposes for which a cooperative, nonprofit, membership corporations may be organized under this chapter.

Sec. 19- AS 10.25.820 Page 7, Lines 18-25

This section adds "related telecommunications service" to the list of services provided by existing nonprofit cooperatives that are subject to this chapter as if originally organized by it.

Sec. 20- AS 10.25.840 Page 7, Lines 26-31, Page 8, Lines 1-4

This section adds a paragraph defining the term "related telecommunications service" to mean the transmission and reception of messages, impressions, pictures, and signals by means of electricity, electromagnetic waves, or any other source of energy, force variations, or impulses, whether conveyed by cable, wire, radiated through space, or transmitted through other media; or a service capable of electronically generating, acquiring, storing, transforming, processing, retrieving, utilizing, or making available information, through the use of broadband Internet access, data center services, information technology, or other technology services.

Sec. 21- AS 10.25.030(b) and 10.25.400(e) Page 8, Line 5

This section repeals AS 10.25.030(b) which outlined the original meaning of "related telecommunications service". It also repeals AS 10.25.400(e) which excludes telephone cooperatives which have an annual gross revenue exceeding \$25,000,000 from AS 10.25.400(b) (which outlines the actions that must be taken by a cooperative's board of directors before a disposition or sale of more than 15% of a cooperative's total assets) unless a resolution is passed by the cooperative's board of directors to make AS 10.25.400(b) apply.

[2:21:57 PM](#)

SENATOR HUGHES pointed out that the bill uses the term "teleconference," which includes communication over the internet using microphones and speakers. The telecommunications community has a preference for the language that refers to that and may request clarification. She also pointed out that there are 17

telephone utility cooperatives and 17 electric cooperatives that provide service throughout Alaska. She said she was not aware of any opposition to the bill and both the Alaska Telephone Association and the Alaska Power Association have written letters of support.

She commented that the small fiscal note could be covered by passing the hat and thus avoid a finance referral.

2:24:02 PM

SENATOR STEVENS referenced Section 15 and asked if the list of services that a corporation could supply to be permissible to convert to a cooperative was actually listed in the bill.

SENATOR HUGHES deferred the question to an expert in the room.

2:24:59 PM

RYAN PONDER, Director, Legal, Regulatory and Government Affairs, Matanuska Telephone Association, Palmer, Alaska, said a list of electric and telecommunication cooperatives that will be affected by the bill was distributed but it is more appropriate to describe SB 81 as a bill that will empower co-op customers to better manage their service providers. It updates the statutes to the 21st century.

Responding to Senator Stevens' question, he explained that Section 20 provides a definition for "related telecommunications services." It includes all the types of services one would expect from a technology company that offers broadband communication.

2:27:52 PM

MR. PONDER began the PowerPoint. He spoke to the following points that describe telephone cooperatives in Alaska and why the update was needed:

- Since before statehood, Alaskans have joined together to form electric and telephone cooperatives. They did this to bring electric and telephone service to areas that other utilities had no interest in serving.
- Today, electric and telephone cooperatives are the economic backbone of their communities, providing affordable and reliable power, telecommunications, broadband internet and other vital technology services to thousands of their members all across Alaska.

- Alaska statutes for telephone and electric cooperatives, adopted in 1959, are outdated. Decades have passed without needed substantive revisions to reflect changes in law and technology.
- Current statutes place undue restrictions on the member-owners of telephone and electric cooperatives regarding how they can operate and manage the cooperative and take advantage of current technology.
- Statutes also are very limiting in the types of services that cooperatives can offer, restricting a cooperative's ability to meet its membership needs.

MR. PONDER highlighted the following proposed changes to the Electronic and Telephone Cooperative Act:

Broadly speaking, the proposed amendments to the Act would:

- Expand the definition of the services a telephone cooperative can provide to cover all of the telecommunications and information services that cooperative customers expect;
- Further expand cooperatives' ability to use electronic means to communicate with their members and conduct cooperative business;
- Update the reasons a cooperative's board can conduct an executive session to better reflect disclosure concerns of employment matters and protect cooperatives operating in competitive markets;

He noted that as stated earlier, this mirrors what is already in Chapters 6 and Chapter 15 of Title 10.

- Improve the language regarding cooperative registered agents and sales of cooperative assets.
- Changes in technology require additional services to be offered
- Transparency, accountability and privacy are required by members
- Protection of aggregate and specific data required for providers to protect the value of cooperative

- Improved communication methods between members and their co-op assure increased member involvement

[2:30:35 PM](#)

MR. PONDER displayed the following benefits that the update will achieve:

- Adding "or a related telecommunications service" permits telephone cooperatives to offer broadband and other data services that are required by their Members and Federal Regulations through the cooperative rather than a subsidiary, thereby permitting customers to be members of the cooperative.
- Amending AS 10.25.040(a) allows cooperative members to use something other than "telephone" in the cooperative's name, which better reflects the nature of services cooperatives are currently offering.
- Allows all cooperatives to use the word "association" in the name, not just grandfathered in existing cooperatives

MR. PONDER related that years ago the legislature informed all cooperatives that had "association" in their name that they were not in compliance with the statute because they didn't have "cooperative" in their name. It took some time to explain to the legislature that these names were grandfathered. SB 81 will eliminate the possibility of that happening in the future.

He continued to describe the following benefits of updating the Electronic and Telephone Cooperative Act:

- Allows members to receive notice of meetings electronically (10.25.100)
- Allows members to attend annual meetings by teleconference (10.25.090)
- Allows teleconferenced attendees to be part of the quorum (10.25.110)
- Allows members who voted by mail or electronic means to be part of the quorum (10.25.110)
- Allows discussion of personnel matters in executive session (10.25.175)

- Allows discussion of matters affecting competitive factors in executive session (10.25.175)

MR. PONDER displayed the following points to summarize why SB 81 was necessary:

- Aligns naming convention with historical names before current legislation was adopted
- Aligns names with industry standards and service offerings
- Aligns legislation with current member service needs and regulation
- Protects integrity of the cooperatives
- Allows for increased member involvement

CHAIR BISHOP asked if the bill would provide any monetary benefits.

MR. PONDER said yes. The statutes require that every co-op member is mailed notification of annual meetings so it would be a sizable savings if all the cooperatives could send those electronically. He noted that MTA alone has 30,000 members.

[2:33:13 PM](#)

SENATOR STEVENS asked if the electrical cooperatives in Cordova, Homer, and Kodiak support SB 81.

MR. PONDER said absolutely; both the Alaska Telecom Association (ATA) and the Alaska Power Association (APA) support the legislation.

[2:34:10 PM](#)

At ease

[2:34:35 PM](#)

CHAIR BISHOP reconvened the meeting and asked who supplied the language for Section 20.

MR. PONDER replied Mr. Lehman with APA supplied the language. He offered his belief that it reflects the FCC definitions.

[2:35:28 PM](#)

MICHAEL BURKE, CEO, Matanuska Telephone Association, Palmer, Alaska, stated support for SB 81. He said this legislation is past due. The Act has had no major changes since it was enacted

in 1959 even though technology and the way members and owners interact have changed. SB 81 will also provide the members with flexibility in how they interact and manage the affairs of their co-op. The bill would allow members to change the bylaws of their cooperative if they decided it was beneficial but it was not compulsory. He said there wasn't any downside for the MTA membership and how it wants to conduct business going forward.

[2:37:39 PM](#)

CHRISTINE O'CONNOR, Executive Director, Alaska Telecom Association, stated that ATA represents broadband, landline, and wireless telecommunication companies statewide. She testified that SB 81 will allow modern cooperatives in Alaska to operate in a modern way which will accommodate more effective and efficient service. She reported that ATA's members unanimously support SB 81.

[2:38:49 PM](#)

CRYSTAL ENKVIST, Executive Director, Alaska Power Association, Anchorage, Alaska, stated that APA is the statewide trade association for Alaska's electric utilities. The members provide power to more than 0.5 million Alaskans statewide. She reported that APA supports SB 81 which would modify statutes governing telephone and electric cooperatives to accommodate technological advances in communications. In particular, sections 8, 10, and 11 of the bill will provide more flexibility for cooperative members in their annual meetings.

[2:40:35 PM](#)

CHAIR BISHOP opened public testimony on SB 81. Finding none, he said he would leave it open and hold SB 81 for further consideration.

[2:41:46 PM](#)

There being no further business to come before the committee, Chair Bishop adjourned the Senate Labor and Commerce Standing Committee meeting at 2:41 p.m.