

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

February 9, 2022

4:31 p.m.

**MEMBERS PRESENT**

Representative Zack Fields, Co-Chair  
Representative Calvin Schrage  
Representative Liz Snyder  
Representative David Nelson  
Representative James Kaufman  
Representative Ken McCarty

**MEMBERS ABSENT**

Representative Ivy Spohnholz, Co-Chair

**COMMITTEE CALENDAR**

HOUSE BILL NO. 289

"An Act establishing the Alaska marijuana industry task force; and providing for an effective date."

- HEARD AND HELD

HOUSE BILL NO. 295

"An Act relating to the practice of dentistry; relating to dental radiological equipment; and providing for an effective date."

- HEARD AND HELD

HOUSE BILL NO. 276

"An Act relating to licensing of psychologists and psychological associates; and relating to the practice of psychology."

- HEARD AND HELD

**PREVIOUS COMMITTEE ACTION**

HOUSE BILL NO. 289

1/26/2022	(H)	READ THE FIRST TIME - REFERRALS
1/26/2022	(H)	L&C, FIN
2/9/2022	(H)	LABOR & COMMERCE at 04:30 PM BARNES 124

HOUSE BILL NO. 295

1/31/2022 (H) READ THE FIRST TIME - REFERRALS  
1/31/2022 (H) L&C, HSS, FIN  
2/9/2022 (H) LABOR & COMMERCE at 04:30 PM BARNES 124

HOUSE BILL NO. 276

1/18/2022 (H) READ THE FIRST TIME - REFERRALS  
1/18/2022 (H) L&C, FIN  
2/7/2022 (H) LABOR & COMMERCE at 04:30 PM BARNES 124  
2/7/2022 (H) -- Testimony <Invitation Only> -- --MEETING  
CANCELED  
2/9/2022 (H) LABOR & COMMERCE at 04:30 PM BARNES 124

**WITNESS REGISTER**

REPRESENTATIVE GRIER HOPKINS

Alaska State Legislature

Juneau, Alaska

**POSITION STATEMENT:** As prime sponsor of HB 289, introduced the bill.

JOE HARDENBROOK, Staff

Representative Grier Hopkins

Alaska State Legislature

Juneau, Alaska

**POSITION STATEMENT:** On behalf of Representative Hopkins, prime sponsor of HB 289, addressed why the bill is necessary and provided a sectional analysis.

GLEN KLINKHART, Director

Alcohol and Marijuana Control Office (AMCO)

Department of Commerce, Community, and Economic Development  
(DCCED)

Anchorage, Alaska

**POSITION STATEMENT:** During the hearing on HB 289, answered questions.

JANA WELGZIN, Owner

JDW Counsel

Anchorage, Alaska

**POSITION STATEMENT:** Provided invited testimony in support of HB 289.

NICHOLAS MILLER, Chair

Marijuana Control Board

Alcohol and Marijuana Control Office

Department of Commerce, Community, and Economic Development

Anchorage, Alaska

**POSITION STATEMENT:** Provided invited testimony in support of HB 289.

REPRESENTATIVE DAN ORTIZ

Alaska State Legislature

Juneau, Alaska

**POSITION STATEMENT:** As prime sponsor of HB 295, introduced the bill.

ABIGAIL SWEETMAN, Staff

Representative Dan Ortiz

Alaska State Legislature

Juneau, Alaska

**POSITION STATEMENT:** Presented the sectional analysis for HB 295 on behalf of Representative Ortiz, prime sponsor.

DAVID LOGAN, DDS, Executive Director

Alaska Dental Society

Juneau, Alaska

**POSITION STATEMENT:** Provided invited testimony in support of HB 295.

DAVID NIELSON, DDS, Chair

Board of Dental Examiners

Division of Corporations, Business, and Professional Licensing

Department of Commerce, Community, and Economic Development (DCCED)

Anchorage, Alaska

**POSITION STATEMENT:** Provided invited testimony in support of HB 295.

SARA CHAMBERS, Director

Division of Corporations, Business, and Professional Licensing

Department of Commerce, Community, and Economic Development

Juneau, Alaska

**POSITION STATEMENT:** During the hearing on HB 295, answered questions.

JAYME PARKER, MD, Chief

Alaska State Public Health Laboratory Fairbanks

Division of Public Health

Department of Health and Social Services

Fairbanks, Alaska

**POSITION STATEMENT:** During the hearing on HB 295, answered questions.

IRENE CASARES, Radiological Health Physicist  
Alaska State Public Health Laboratory Fairbanks  
Division of Public Health  
Department of Health and Social Services  
Anchorage, Alaska

**POSITION STATEMENT:** During the hearing on HB 295, answered questions.

MARVO REGUINDIN, Executive Director  
Alaska Psychological Association  
Spokane, Washington

**POSITION STATEMENT:** Provided a PowerPoint presentation titled "HB 276 Model Licensing Act for Psychologists and Psychological Associates."

ROBERT LANE, PhD, Director  
Counseling Psychology  
Alaska Pacific University  
Anchorage, Alaska

**POSITION STATEMENT:** During the hearing on HB 276, answered questions.

SARA CHAMBERS, Director  
Division of Corporations, Business, and Professional Licensing  
Department of Commerce, Community, and Economic Development  
Juneau, Alaska

**POSITION STATEMENT:** During the hearing on HB 276, answered questions.

#### **ACTION NARRATIVE**

[4:31:44 PM](#)

**CO-CHAIR ZACK FIELDS** called the House Labor and Commerce Standing Committee meeting to order at 4:31 p.m. Representatives Schrage and Fields were present at the call to order. Representatives McCarty, Kaufman, Snyder, and Nelson arrived as the meeting was in progress.

#### **HB 289-AK MARIJUANA INDUSTRY TASK FORCE**

[4:32:14 PM](#)

CO-CHAIR FIELDS announced that the first order of business would be HOUSE BILL NO. 289, "An Act establishing the Alaska marijuana industry task force; and providing for an effective date."

[4:32:34 PM](#)

REPRESENTATIVE GRIER HOPKINS, Alaska State Legislature, as prime sponsor of HB 289, introduced the bill. He spoke as follows:

This bill would establish the Alaska Marijuana Industry Task Force to take a holistic look at our state's growing marijuana industry, analyze its strengths and weaknesses, and propose a package of reforms. These nonbinding reforms would be submitted to the Marijuana Control Board, the governor, and the legislature for consideration and possible action. This legislation does not create a permanent task force, nor does it create a permanent state funded position. Rather, this task force would complete its work between the time this bill is passed, probably this legislature, and over the 2022 legislative interim, and deliver its final report at the beginning of next session, disbanding itself at the end of the year and giving us that report.

This bill does not require the expenditure of any unrestricted general funds. Instead, the cost of this task force would be borne by the program receipts generated by Alaskan marijuana industry. While I am a firm believer in free markets and the inevitable sorting out of winners and losers, Alaska's marijuana industry is ours and ... we as elected officials can and should set the rules for the thousands of Alaskans who have seen fit to invest their hard-earned dollars into this market, as well as their time and energy. We can and should ensure that the rules that we put forward to govern our various industries are fair and reasonable and offer those Alaskans who pursue a career or business investment in Alaska can work hard and achieve that success while playing by the rules.

We can and should ensure that the local governments continue to play a vital role in authorizing, monitoring, and gaining revenue from this industry as well. As our uniquely Alaskan owned, operated, and supported marijuana industry continues to evolve, the work of this task force can help place the industry on firmer economic footing and ensure that those Alaskans who have entered into this industry can compete on a level playing field. Additionally, this task force carves out a role for Alaska's local governments to

assure that the local control of this industry endorsed by Alaska's voters as they passed the initiative in 2014 is strengthened and continued. We would have the opportunity after the initiative's passage in 2014, almost a decade later, to be able to reform this growing and vital industry.

[4:35:27 PM](#)

JOE HARDENBROOK, Staff, Representative Grier Hopkins, Alaska State Legislature, on behalf of Representative Hopkins, prime sponsor of HB 289, addressed why the bill is necessary. He spoke as follows:

Why is this legislation necessary?

In 2014, Alaska voters legalized recreational marijuana. Since that time, thousands of Alaskans have sought to participate in this new industry as business owners, workers, investors, consumers and more. This industry is a uniquely Alaskan one. State law requires that license holders be Alaska residents, resulting in an Alaska marijuana market ... owned and operated by Alaskans selling their products grown, tested, processed, and purchased here in the Last Frontier.

The industry which has emerged from the passage of the voter initiative in 2014 is supported by Alaskans across the state, but it is facing some challenges. Many business owners are struggling to comply with the letter and the spirit of the law, and several factors including taxation, licensing, and enforcement continue to challenge the industry. Recent reporting by the *Anchorage Daily News* - which is included in your bill packet - shows ongoing frustration amongst the Alaskan entrepreneurs who've invested time, resources, and energy in this new market. Our flat wholesale tax model makes each cultivator's crop an expensive roll of the dice and can result in entire harvests being discarded for fear of not generating sufficient revenue to pay state taxes or insufficient overhead to cover the cost of facilities, salaries, and utilities. Unlimited licenses have resulted in a high number of retail outlets and tying licenses to specific properties and locations have resulted in

business owners being forced to close shop when rents increase, or when their buildings are sold.

Make no mistake, there are solutions to these problems, but finding and defining these solutions will involve give and take amongst the members of the industry, state regulators, and local governments. In order to pursue a strategy that strengthens our Alaska businesses, protects local control and places our industry on a firmer economic footing, HB 289 proposes that this task force reviews the issue, develops ideas for industry reform, utilizes state resources to model how those changes would affect businesses, local governments, and state tax revenue. A simplistic one-size-fits-all solution to this complex issue will most likely result in additional challenges to the industry and may cause unforeseen circumstances which compound problems instead of rectifying them. As we've repeatedly heard from representatives of all the different businesses and resource development activities in Alaska, fiscal certainty and good data are essential components of any successful business enterprise.

So, how will this task force operate?

The selection process for the twelve members of the task force has been crafted to ensure representation, expertise, and geographic diversity. The task force will be chaired by the chair of the Marijuana Control Board. The two state agencies most closely involved in Alaska's marijuana industry - the departments of Commerce and Revenue - will be represented by their commissioners or those commissioners' designees. Because so many of these questions are economic in nature, we've reserved a seat for an economist from the University of Alaska. Because the voter initiative carved out specific roles and rights for local governments, we've included three municipal government representatives, with a requirement that those officials come from different judicial districts and represent the breadth of Alaska's local governments - cities and boroughs. Because those most affected by a decision should have a role in making that decision, we've reserved three seats - 25 percent of the task force's membership - for representatives of the Alaska marijuana industry. Like the local

government seats, these task force members must hail from different judicial districts and represent the breadth of the industry - cultivators, processors, and retailers. Finally, there are two legislative seats, in the hopes that the input and advice of legislators can help craft a final product with a greater chance of enactment.

As [Representative] Hopkins mentioned, this task force is not a permanent creation. Rather, it must meet four times over this legislative interim, conduct their work, craft their proposals, model their data, and submit their findings to the executive and legislative branches for consideration and potential action. This legislation does not create a new, permanent position but rather relies on a temporary position to assist the task force in crafting its final product. The findings of this task force are first and foremost nonbinding and are not limited [to] suggestions for legislative fixes - suggestions may include statutory, regulatory, and administrative changes.

Additionally, I think it is fitting and worth noting that the cost of these efforts will be borne by program receipts from Alaska's marijuana industry. That's correct - the cost of this task force will be paid for by the hundreds of thousands of Alaskans who've invested in and patronized Alaska's marijuana industry.

[4:40:37 PM](#)

MR. HARDENBROOK provided the sectional analysis for HB 289. He spoke from a written analysis provided in the committee packet, which read as follows [original punctuation provided]:

Section 1:

Subsection (a): Creates the Alaska Marijuana Industry Task Force and describes its purpose.

Subsection (b): Details membership of the task force and those responsible for nominating members to serve.

Subsections (c) & (d): Details how vacancies on the task force will be filled and that members are unpaid

but are eligible for travel expense reimbursement and per diem.

Subsection (e): Details duties of the task force, deadlines, and instructions for submitting recommendations.

Subsection (f): Terminates the task force upon the convening of the Thirty-Third Legislature.

Section 2:

Contains an immediate effective date.

[4:41:48 PM](#)

CO-CHAIR FIELDS opened invited testimony on HB 289.

[4:42:17 PM](#)

)LACY WILCOX, President\* Alaska Marijuana Industry Association (AMIA)\* Anchorage, Alaska\* Provided invited testimony in support of HB 289. { provided invited testimony in support of HB 289. She noted AMIA is currently the only statewide industry association. She spoke from a letter of support, dated 2/1/22, which she said was approved by her board of directors, and which read as follows [original punctuation provided]:

The Alaska Marijuana Industry Association (AMIA) would like to offer our support for HB 289.

The excise tax on Alaskan marijuana cultivation has set a static price floor for marijuana and marijuana products. This static price floor is creating instability in our industry and resulting in an inequitable taxation burden imposed on the cannabis industry. For example, the excise tax of \$800/lb of cannabis flower in Alaska is similar to the total wholesale price in states like Oregon. The problem is evident, the impacts are negative, and a solution is needed. The solution will only be found if we have a comprehensive task force with the right tools and the right folks to dig in and find a solution to better [protect] the industry and protect consumers. The AMIA has been analyzing the current scheme against potential new tax structures, however, without access to state experts and data we are just shooting darts

at the wall with blindfolds on. We are hopeful that with the passage of this legislation we will be able to see robust, smart, and data driven conversation occur between industry, regulators, and tax experts, as well as municipal stakeholders and the legislature.

We are grateful to be named in the bill regarding the selection of qualified industry representatives. We understand that while we do not represent the entire industry, the AMIA is the only statewide industry trade group that exists, so we therefore feel it is appropriate language. We promise to send forward our best and brightest and take this responsibility very seriously.

The bright goal for the AMIA is to help identify a sustainable, enforceable, and above all else, fair tax structure. This tax structure should allow for growth, not hardship and should provide a path to compliance without subjective review or punitive action wherever possible.

We are grateful to be considered a valuable industry, job provider, taxpayer, and general business community asset to Alaska. We see a bright future and are hopeful that this task force will come to fruition, and we can move forward together.

MS. WILCOX added that it is no secret that [the industry] is struggling. She urged the committee's support for the bill.

[4:44:55 PM](#)

REPRESENTATIVE NELSON asked how many of the businesses in Alaska are covered by AMIA.

MS. WILCOX replied that AMIA is currently in a membership drive, so she doesn't have a percentage. She said there are about 500 licensees and AMIA probably represents close to 100 of them on its normal post-membership drive season. She added that the pandemic has slowed down the outreach to get members.

REPRESENTATIVE NELSON noted the bill provides that AMIA will appoint three members to the [task force], two of which would be AMIA members and the third which would not be an AMIA member. He asked whether AMIA has anything it will be holding itself to

that will alleviate his concern that the other 400 licensees would not be involved.

MS. WILCOX responded that with the passage of HB 289 she would like to build a process to open applications to any licensee. She said being able to advertise this as something AMIA can do for people will encourage membership among those who have not considered joining. Many Alaskans and Alaska businesses are not joiners, but she still talks to those people as they are an important and valuable part of the industry. She will work to honor the spirit of the task force. It isn't AMIA's members who have the most to say, some of the smartest people are the quietest people and she would like to find them.

[4:46:55 PM](#)

REPRESENTATIVE SCHRAGE inquired about the makeup within AMIA's membership between cultivation, manufacturing, and retail. He further inquired about the unification of views regarding where taxes should go with respect to the industry and whether the balance is right.

MS. WILCOX answered that roughly 240 small and large licensed growers and 145 retail licenses are operating, and there are about 50 manufacturing licenses. Much is going to be heard about market saturation, potential license caps, and other solutions for helping to find market equilibrium, she continued. She herself is a proponent of fixing the things that are broken before going to the extreme measure of instituting a license cap. If asked about taxes, cultivators are going to say the tax should be shifted away from them, retailers are going to suggest the tax stay where it is or perhaps reduced, and manufacturers, who are kind of in the middle or vertically integrated, are going to be kind of indifferent because they are protected by their own business model. So, she advised, there is not consensus and consensus can only be found if modeling is done.

[4:48:32 PM](#)

REPRESENTATIVE MCCARTY referred to page 2 of the bill, lines 29-30, regarding task force members serving without compensation. He asked if it is anticipated that the meetings will be virtual, rather than live, to reduce per diem and travel expenses.

MS. WILCOX responded that AMIA would be happy to meet virtually. She deferred to the sponsor to answer the question.

MR. HARDENBROOK replied that in discussions with Glen Klinkhart, director of the Alcohol and Marijuana Control Office, Mr. Klinkhart said that throughout the [COVID-19] pandemic the board has been meeting mostly virtually, which the board would continue doing with this task force. The fiscal note currently includes money to cover the cost of travel and lodging but if the legislature chose to make the task force meet virtually or put that intent in, it would be a substantial cost savings on the total fiscal note of the task force.

REPRESENTATIVE MCCARTY stated that virtual meetings would be his recommendation.

4:50:03 PM

REPRESENTATIVE KAUFMAN asked why a bill is needed given other industries meet and discuss how to improve their industries.

MR. HARDENBROOK answered that a key reason for government involvement in this task force is specifically the data that is collected by the state as the enforcer of the laws through the commerce department as well as the collection of revenues through the revenue department. By having those two aspects of state government involved and mandated to participate, modeling can be done by the industry and local and state governments on how changes to taxation would impact revenue flows to the state, to the industry, and to the local governments. As a participant in that, the state can access the data and do that modeling and can make sound fiscal decisions that protect the bottom lines of the state and municipalities, and that put the industry on firmer economic footing.

REPRESENTATIVE KAUFMAN said it seems that those are simply deliverables that could just be pulled down and he isn't sure a government partnership is needed when just the deliverables, the data, are needed and that data should be available.

MR. HARDENBROOK replied that any industry would prefer fiscal certainty and good data when it comes to making business decisions. When talking about adjusting the levers of taxation and an industry that is entirely located within Alaska and producing revenue for local governments, changing those levers without good data to inform how those decisions will impact the industry, state government, and local government, perhaps could make the situation worse as opposed to solving the problems. Modeling changes to the taxation scheme has been difficult to develop and data has been difficult to procure. Perhaps setting

up a task force to ensure that people who have the data, folks who have the expertise on the industry, and those who have the expertise on how the industry works at the local level can get together and formulate a solution is the most responsible way forward.

[4:53:18 PM](#)

REPRESENTATIVE SCHRAGE offered his understanding that revenue from marijuana taxes could go to several places. He asked which designated general fund (DGF) would be used in this fiscal note.

MR. HARDENBROOK deferred to Mr. Klinkhart to provide an answer to the question because he developed the fiscal note.

[4:53:46 PM](#)

GLEN KLINKHART, Director, Alcohol and Marijuana Control Office (AMCO), Department of Commerce, Community, and Economic Development (DCCED), responded that the sources are going to be the DGF from the program funds specifically, so it would be coming out of the receipts that are received.

[4:54:43 PM](#)

JANA WELGZIN, Owner, JDW Counsel, provided invited testimony in support of HB 289. She stated that her firm represents hundreds of marijuana licenses in the state of Alaska. She said the questions being asked show that members are thinking about this industry and how to move it forward and make it sustainable for Alaska. These issues need to be discussed in a meaningful way, not just a few industry folks getting together, she continued, because federal legalization is on the horizon. Without preparation, Alaska's marijuana industry will be demolished when federal legislation arrives. To be prepared the industry needs to be strong enough to stand on its own or relevant enough to be bought out. The industry cannot do that with a product price war that for some cultivators results in a 50 percent taxation while another cultivator growing the same pounds and same strain, but selling it for more, is taxed at around 27 percent. This regressive tax structure isn't fair or sustainable. [The proposed task force] would allow Alaska's marijuana industry to work with local governments and experts in the Department of Revenue to develop a system that is going to make the state more money in the long run because the industry will survive if this is done right. This bill will be of benefit to Alaska for many

years; detrimental consequences will be faced if nothing is done.

[4:56:42 PM](#)

NICHOLAS MILLER, Chair, Marijuana Control Board, Alcohol and Marijuana Control Office (AMCO), Department of Commerce, Community, and Economic Development (DCCED), provided invited testimony in support of HB 289. He said he is a licensee and that there has been lots of discussion about the taxes and ways to improve commerce in Alaska through statutory and regulatory changes. Partnership is needed from an economist and holders of the data so that good decisions can be made. Making decisions based on the information that is had now is not in the interest of anybody in the state.

[HB 289 was held over.]

**HB 295-DENTIST SPEC. LICENSE/RADIOLOGIC EQUIP**

[4:58:05 PM](#)

CO-CHAIR FIELDS announced that the second order of business would be HOUSE BILL NO. 295, "An Act relating to the practice of dentistry; relating to dental radiological equipment; and providing for an effective date."

[4:58:17 PM](#)

REPRESENTATIVE DAN ORTIZ, Alaska State Legislature, as prime sponsor of HB 295, introduced the bill. He spoke as follows:

House Bill 295 works to solve two problems facing Alaskan dentists and helps them do their jobs safely, efficiently, and honestly. Firstly, this bill transfers the oversight of dental radiological equipment from the Alaska Board of Dental Examiners to the Department of Health and [Social] Services (DHHS). Alaskan dentists have had great difficulty finding private radiological inspectors for their x-ray equipment and as DHSS already oversees medical radiological equipment and employs inspectors, this is a way to ensure that dental equipment is being inspected at the right intervals by the people qualified to do the job.

Secondly, ... this bill establishes truth in advertising for dental specialists. Alaska currently doesn't have a legal definition of dental specialist, which means that a dentist can advertise as an ... endodontist specialist without having an endodontist training. I ... certainly would want the dentist performing my root canals to know what they're doing, and I think everyone in this room would want that as well. Alaskans seeking dental specialists should be confident that their dentist has the specialized training to give them the best care possible, and HB 295 does just that.

These concerns were brought to us by dentists who recognized obstacles in doing the best job they can for their patients, and these concerns are worth considering by passing HB 295.

[5:00:42 PM](#)

ABIGAIL SWEETMAN, Staff, Representative Dan Ortiz, Alaska State Legislature, presented the sectional analysis for HB 295 on behalf of Representative Ortiz, prime sponsor. She paraphrased from a written sectional analysis, which read as follows [original punctuation provided with some formatting changes]:

**Section 1:** Conforming language in **AS 08.01.065(c)**.

**Section 2:** Adds a new section (k) to **AS 08.01.065** (*Title 8. Business and Professions, Chapter 1. Centralized Licensing, Section 065. Establishment of fees*)

Requires the Board of Dental Examiners to establish and collect fees on behalf of the Department of Health and Social Services for the inspection of dental radiological equipment.

**Section 3:** Adds new sections to AS 08.36 (*Title 8. Business and Professions, Chapter 36. Dentistry*)

**AS 08.36.242. License to practice as a specialist required.**

Establishes that a dentist may not advertise using the term "specialist," the name of a specialty, or other phrases that suggest they are

a specialist unless they have a specialist license as established.

**AS 08.36.243. Qualification for specialist; scope of practice.**

(a) Establishes that in order to qualify for a specialist licenses a person must

(1) Hold a dental license issued by the board and

(2) Meet the qualifications of a specialist as established by the board in regulation.

(b) In creating the qualifications for a specialist license, the board shall consider the standards of a nationally recognized certifying entity approved by the board.

(c) Establishes that a dental specialist can only claim to be a specialist in the specialty they hold a license in.

**Sec. 08.36.245. Suspension or revocation of specialist license.**

Establishes that a board may suspend or revoke a specialist license as set by **AS 08.36.315**.

**Section 4:** Adds a new section (d) to **AS 44.29.020** (*Title 44. State Government, Chapter 29. Department of Health and Human Services, Section 020. Duties of the Department*)

Requires DHSS to establish standards of registration, use, record keeping, and inspection of dental radiological equipment in compliance with federal law.

**Section 5:** Conforming language in **AS 44.46.029**

**Section 6:** Conforming language in **AS 46.03.022**

**Section 7:** Repeals:

**AS 08.36.075:** Section of law requiring the Board of Dental Examiners to set standards for inspection of

dental radiological equipment. Placed under DHSS by section 4.

**AS 18.05.065, AS 18.60.525(e), and AS 44.29.027:** Sections of law prohibiting DHSS from regulating dental radiological equipment.

**Section 8:** Allows the Board of Dental Examiners, the Department of Commerce, Community, and Economic Development, and the Department of Health and Social Services to adopt regulations in line with this act.

**Section 9:** Allows the departments and board to immediately begin setting regulations.

**Section 10:** Set a delayed effective date for the rest of the act to July 1, 2023.

[5:03:01 PM](#)

CO-CHAIR FIELDS opened invited testimony on HB 295.

[5:03:11 PM](#)

DAVID LOGAN, DDS, Executive Director, Alaska Dental Society, provided invited testimony in support of HB 295. He explained that currently there isn't an avenue for dentists to get the necessary inspections of their x-ray equipment. Dentists must use state certified inspectors, but for several years there have been no certified inspectors that dentists can use.

DR. LOGAN said there have been a couple false starts at legislation, but this year is coming to a deadline as dentists are going to start falling out of compliance at year's end. Without action of some sort, dentists will be in the situation at year's end of their x-ray machines becoming out of compliance with the necessary inspections. Consequently, dentists will have to use machines that are no longer compliant or not be able to use their machines at all - neither of which is a great option. These machines need to be inspected periodically, not doing so doesn't help things from a public health standpoint. Dentists would like to get those machines inspected.

[5:05:03 PM](#)

DAVID NIELSON, DDS, Chair, Board of Dental Examiners, Division of Corporations, Business, and Professional Licensing,

Department of Commerce, Community, and Economic Development (DCCED), provided invited testimony in support of HB 295. He said he agrees with Dr. Logan's testimony. Regarding Section 3 of the bill, he explained that the Dental Practice Act repealed specialty license categories in 2012 for reasons he is not aware of because he was not on the Board of Dental Examiners at that time. Since then, the board has shied away from investigating false and misleading advertising complaints that tend to crop up. For the board to address this, specialty license categories are needed that can hold up under legal scrutiny. The board needs the ability to reduce public confusion over deceptive or false advertising brought by dentists using the term specialist for specializing in an area of dentistry that is professionally recognized to require significantly more training than they have received. Typically, an accredited post-graduate specialty program demands two years minimum of training beyond dental school.

DR. NIELSON related that the board has had to deny a few license applications to specialists trying to come work in Alaska because the board didn't have a way to approve their applications. That is because, without having a license type that's limited to the specialty area of dentistry that they've been practicing in for years or that they have a specific training in, the board had to deny licenses to dentists who have graduated from an accredited specialty program. If [the board] can limit the scope of practice of the specific branch of dentistry covered by the specialty license, it will open the doors a little wider to more qualified specialists to come to Alaska.

[5:08:07 PM](#)

REPRESENTATIVE MCCARTY offered his understanding that currently there is not someone to inspect the machines used in dentistry. He asked whether there are dentists under investigation because they cannot comply with this. He further asked whether this means every dentist is going to have to shut down if this is not implemented fast enough.

[5:09:02 PM](#)

SARA CHAMBERS, Director, Division of Corporations, Business, and Professional Licensing, Department of Commerce, Community, and Economic Development (DCCED), replied that the division is not currently investigating these potentially out of compliance dentists because there is no program with which to comply. The

division does not want to put them in a "catch 22." If this bill passes, the plan would be to assist the Department of Health and Social Services (DHSS) in getting this up and running quickly and then move toward compliance rather than an enforcement right out of the gate. The division would want to make sure dentists were aware of how to comply and that there was a program that allowed compliance.

DR. NIELSON agreed with Ms. Chambers. He pointed out that realistically there isn't a process in place for one dental examiner to figure out which of the approximately 2,400 devices being used are out of compliance. Dentists have had nobody qualified to do their inspections for years. Everyone wants to get caught up and get this program going again and DHSS has the people to do it.

REPRESENTATIVE MCCARTY asked how viable it is that DHSS will be able to find people to do the inspections given dentistry hasn't been able to find inspectors.

MS. CHAMBERS responded that it would be a different model. The board, she explained, has typically utilized a private sector model that would rely on a supply of people who are performing this type of service for other healthcare devices, but the board hasn't been able to identify anyone in the last several years who is qualified or willing to do that. The DHSS model, which is reflected in the fiscal notes of both departments, would be to employ someone who would be able to do this. A fee would be collected by DCCED from the dentist to pay for this service, which would then be sent over to DHSS through a reimbursable service agreement (RSA) to pay for the person on staff, thereby ensuring that someone is available to perform these inspections.

REPRESENTATIVE MCCARTY asked whether this is kicking the can from one department to another - previously dentists were paying for the inspections until they couldn't find any inspectors in the state. He further asked whether a grace period for dentists is planned since it will take a while into the future to find an inspector given the current labor shortage.

MS. CHAMBERS answered that everyone is in support of moving this program. Radiological physicists are required to perform these inspections, but since DCCED doesn't specialize in that, it is looking to its partner sister agency for an assist to do something that is currently under dental board statute. To not reinvent the wheel, DCCED often works that way with other departments for efficiency measures as well as expertise. The

grace period would extend to a length of time that it would take for this program to be up and running, DCCED is not in the business of enforcing impossible-to-comply-with laws. So, DCCED would be working closely with DHSS to make sure that the program is functional, fully staffed, and available, and to clearly communicate a rollout of that inspection series to the dentists involved - so, compliance rather than enforcement.

[5:13:50 PM](#)

JAYME PARKER, MD, Chief, Alaska State Public Health Laboratory Fairbanks, Division of Public Health, Department of Health and Social Services (DHSS), responded to Representative McCarty's questions. She explained that her laboratory houses the radiological health program, which currently has a single radiological health physicist who inspects and registers over 1,000 non-dental devices every year. For this to be successful [the laboratory] would need to hire another radiological health care physicist to take on this additional capacity. While this isn't easy to come by, it isn't impossible.

REPRESENTATIVE MCCARTY asked whether the effective date of 7/1/23 is a doable timeframe.

MS. CHAMBERS replied that [DCCED] has been in communication with DHSS and this effective date seems to work best for most people and is a realistic start date. The original start date was 3/1/23 and July is a more reasonable date.

DR. PARKER added that [DHSS] would not investigate if the program was not able to be complied with. Investigations would not be initiated for people who could not comply with a program that was not fully up and running.

[5:15:52 PM](#)

REPRESENTATIVE NELSON recalled Ms. Chambers' statement that impossible laws would not be enforced. He asked what the future looks like if this doesn't get through in time.

MS. CHAMBERS responded that DCCED will have to work closely with the industry to determine. The first step would be for dentists to not utilize equipment that wasn't properly inspected or where they were not complying with the laws that are attainable. This means that if a dentist has a piece of radiological equipment that hasn't been inspected within that six years the dentist would need to make a professional call as to whether he or she

wants to run the risk of damage happening to staff or patients. [The departments] aren't going to seek investigations because dentists didn't comply with a date that is on the books. That is different than professionals making a call as to whether they feel comfortable using equipment that is out of compliance but that they believe is safe. The departments will link arms and plow forward if the bill passes and gives DHSS the tools to do that, along with communicating with dentists because neither one is an outcome that anybody wants.

REPRESENTATIVE NELSON asked if the fees would be enough to cover the bill's attached fiscal notes [totaling about \$500,000].

MS. CHAMBERS answered that this would be completely receipt supported, as indicated in the fiscal notes. One way to look at it is that this program is currently theoretically on the books and [DCCED] should have been collecting these fees or dentists should have been paying a private contractor these fees these last several years. Dentists are aware of going to a model of a state employee at DHSS because this has been discussed with the board on the record, and that the fees for all licensing programs and each sector's group payment will be set through an annual fee analysis. If the final model is [an inspection] every sixth year, then that amount would be paid every six years, so it would not be an annual amount to every dentist. [The departments] will have to work through the cost, which was previously paid through the private sector and now will be paid through the public sector.

REPRESENTATIVE NELSON said he has heard about struggles with recruiting people for public jobs compared to private jobs that pay much better. He asked what the relationship would be of having this on the books, but no one could be hired before the deadline for this position had passed.

MS. CHAMBERS deferred to the writer of the DHSS fiscal note to answer the question.

[5:20:17 PM](#)

IRENE CASARES, Radiological Health Physicist, Alaska State Public Health Laboratory Fairbanks, Division of Public Health, Department of Health and Social Services (DHSS), responded that the situation of the inspections would be once the program is attainable and a person is hired. She related that people currently in Alaska have asked her about the salary and duties of this position, and said they are willing to take this

position of getting the program in alignment, inspecting the equipment, and getting the dentists in compliance. It is just a fact of who, when, where, and how does this get started.

REPRESENTATIVE NELSON asked whether Ms. Casares is confident that within a few months of passing HB 295, someone could be hired and already out inspecting equipment.

MS. CASARES replied yes.

[5:21:51 PM](#)

REPRESENTATIVE KAUFMAN inquired about how the risk is managed to prevent specialists from being locked out of what they are qualified to do because of categorization. He further asked whether the state has good definitions with enough latitude for specializing along with doing general dentistry.

DR. NIELSON answered that certain specialties have more cross training in general dentistry procedures than others, and each specialty must be looked at individually to see what they routinely do. It's a bit of a gray area, he said, but he wouldn't suspect it would be a problem if an endodontist put in a small filling. It would be on a case-by-case basis, so he can't give the scope of practice for each specialty down to the letter. It's just more appropriate, he advised, to allow a specialist to work in their specialty area and keep it at that.

DR. LOGAN pointed out that, in general, most specialists are not interested in performing general dentistry. Some specialists, like a root canal specialist (endodontist), may routinely throw in a filling. A periodontist (gum specialist) would have no interest in putting in a filling because that is not what they deal with, it is a completely different piece of the anatomy. Therefore, this would not take away something.

MS. CHAMBERS added that these will be some of the things that the board will need to work through in regulation. It would typically fall to the education and training that the person is presenting, so [DCCED] would not intentionally prevent someone from practicing something they were qualified to do and want to do. If they wished to pursue both pathways there is a method in the law to do that, and the board will just need to narrow that down through the regulatory process.

DR. NIELSON agreed with Ms. Chambers. He explained that the intent of this is really the other way around - which is to

allow someone who has had training in a specialty area to come to Alaska even though they haven't done "general dentistry" for a long time. The intent is to open this up for specialists who are highly trained in their area, [the board] is not going to focus a lot of time on not allowing a specialist to put in a little filling once in a while if they feel qualified to do it.

REPRESENTATIVE KAUFMAN cautioned against creating a catch-22 situation where there is a little piece of work, and someone is afraid to do it even though they are competent to do so but it isn't per the regulations. In general, he continued, he is seeing that everything is going in a good direction.

[5:27:19 PM](#)

REPRESENTATIVE MCCARTY concurred with Representative Kaufman about micro-managing, but said he isn't hearing that from the invited testimony. He stated he is confused about where the problem is in recognizing specialists trying to get into the state given specialists are already in Alaska.

DR. LOGAN confirmed there are about 150 specialists in Alaska. He explained that by not having a specialty license they cannot differentiate themselves from somebody else as a specialist; or they can but the reverse is also unfortunately true in that a general dentist can list himself or herself as a specialist even without the requisite training, and the board is powerless to prevent them from doing that because the board doesn't have the statutory authority with the specialty license.

[HB 295 was held over.]

#### **HB 276-PSYCHOLOGISTS: LICENSING AND PRACTICE**

[5:29:04 PM](#)

CO-CHAIR FIELDS announced that the final order of business would be HOUSE BILL NO. 276, "An Act relating to licensing of psychologists and psychological associates; and relating to the practice of psychology."

CO-CHAIR FIELDS reminded members that HB 276 is the committee's bill.

[5:29:38 PM](#)

MARVO REGUINDIN, Executive Director, Alaska Psychological Association (APA), provided a PowerPoint presentation titled "HB 276 Model Licensing Act for Psychologists and Psychological Associates." He spoke to the second slide, "Alaska Psychological Association," which read as follows [original punctuation provided with some formatting changes]:

- Represent the scientific and professional interests of AK-PA membership to the American Psychological Association (APA).
- [135] members in 2021, the membership consists of
  - Licensed Psychologists and Psychological Associates
  - LMFT, LPC, LSW, LCSW, ANP, PMHNP
  - University or college faculty or other non-clinical professionals with a masters or doctorate in psychology
  - Grad Students

MR. REGUINDIN noted that psychologists have a doctoral degree and psychological associates have a master's degree, and that for both of those to hold their titles they must be licensed.

MR. REGUINDIN reviewed the third slide, "Alaska Psychological Association," which read as follows [original punctuation provided]:

Mission:

The purpose of Alaska Psychological Association is to promote the advancement, communication, and application of psychological science and knowledge to improve the lives of all Alaskans.

MR. REGUINDIN discussed the fourth slide, "Model Licensing Act History," which read as follows [original punctuation provided with some formatting changes]:

- AK-PA learned of APA's Model Licensing Act (MLA) at the 2017 American Psychological Association annual Practice Leadership Conference
- The AK-PA conference delegation created a committee to hold a series of work-sessions open to members and the public to gauge interest and accept input from a wide constituency.
- In 2018, work sessions examined and discussed the current licensing classifications and licensing

requirements, then gained interest and support for introducing an MLA for Alaska.

MR. REGUINDIN presented the fifth slide 5, "Current Licensing for Psychologists and Psychological Associates," which read as follows [original punctuation provided with some formatting changes]:

- Currently, Alaska's Statutes and Regulations for Psychologists and Psychological Associates provide for obtaining a license or obtaining a temporary license.
- 324 licensed Psychologists
- 36 Psychological Associates in the state

MR. REGUINDIN explained that HB 276 would introduce a middle ground. He turned to the sixth slide, "HB 276 MLA Introduces a Middle Ground," which read as follows [original punctuation provided]:

1. Amend how student supervised hours are acquired - this is the core for developing the MLA
2. Introduction of a **Part Time License** for both psychologists and psychological associates
3. Introduction of an **Inactive License** for both psychologists and psychological associates
4. Better defines who the Practice of Psychology does not apply to by including Contractors for a Tribal Health Organization licensed in another state.

MR. REGUINDIN noted that Alaska has two universities with doctoral degrees in psychology, so this became a very important point of creating this Model Licensing Act.

MR. REGUINDIN displayed the seventh slide, "Amend how Graduate Student Supervised Hours are Acquired," which read as follows [original punctuation provided with some formatting changes]:

- Follows the national trend to allow 3000 hours to be completed before graduation through practicum, internship, or postdoctoral experience
- Does not alter the quality or quantity of training
- 17 states allow the re-sequencing of training hours
- Follows the model used by medical schools
- Allows students to get licensed and enter the workforce sooner to benefit Alaskans

MR. REGUINDIN addressed the eighth slide, "Introduce a Part Time License," which read as follows [original punctuation provided with some formatting changes]:

- This new classification would allow senior career licensed psychologists and senior career licensed psychological associates approaching retirement to continue their practice with limited hours and continue to use their respective titles as licensed providers in writing papers, research, presenting continuing education
- Must be licensed for at least 20 years
- Engaged in the practice for not more than 20 hours a week.

CO-CHAIR FIELDS inquired about the logic and benefit in having a part-time license in addition to a regular license.

MR. REGUINDIN deferred to Dr. Lane to answer the question.

[5:35:51 PM](#)

ROBERT LANE, PhD, Director, Counseling Psychology, Alaska Pacific University, explained that the intent with this is that the psychology license statutes in Alaska are both title and practice. During work group meeting, members talked about what they would like to see happening with [Alaska] statutes and licensing laws. A group of senior psychologists were interested in trying to hang on to their ability to use the title without having to pay the full fee of the license for exiting out of work. For example, a colleague of his was no longer in private practice, but had treated sex offenders for years in Alaska's criminal justice system. This colleague wrote a book and would like to be able to share research findings with psychologists in Alaska, but he cannot do that unless he is licensed because he would be holding himself out as a psychologist. So, it is a way of allowing people who are no longer trying to be in private practice to still be able to be psychologists in the community and share their work with others. Another example is himself, Dr. Lane continued. When he retires in about another year, he will have put in a career of being a psychologist, but if he doesn't maintain a license, he cannot refer to himself as a psychologist. So, there is some discipline and professional-like identity that goes with it. The license fee in Alaska has been as high as \$1,400-\$1,500 but has come back down somewhat. The idea with this is to give some sort of reduced licensing fee

and allow people to hang on to their title and have a very limited scope of practice.

[5:38:14 PM](#)

CO-CHAIR FIELDS observed that [page 3 of the bill, lines 13-14] state that the "board may issue a part-time psychologist license". He surmised that the board could therefore choose not to issue a part-time license, but no parameters are provided about the extent to which the fees might be reduced. He asked whether the fees would be left to the board and the department.

DR. LANE replied as follows:

We were aware that much of what happens in the actual practice of things happens in the development of regulation and we didn't want to get down into the weeds in an area where we didn't really know without ... the licensing board being involved, and the division being more involved in the development of regulations. So our thinking was if we could propose the statutes then regulations would be developed and then appropriate license holders would have a chance to opine on the regulations."

CO-CHAIR FIELDS requested the opinion of Ms. Chambers about this [proposed] new part-time license.

[5:39:25 PM](#)

SARA CHAMBERS, Director, Division of Corporations, Business, and Professional Licensing, Department of Commerce, Community, and Economic Development (DCCED), responded that she understands the intent behind the license, but she has not had much opportunity to speak with the board or the association about this. She stated that there is no guarantee there will be a lower license fee - it is the same amount of regulatory work to approve the credentials and background for someone. The current license fee for a renewing psychologist would be \$500, she continued. Asking for a reduced fee for essentially the same amount of regulatory work would really be asking the board to endorse on the record a scheme in which the full-time licensees are subsidizing the regulatory cost of the part-time or inactive licensees, assuming that that workload is the same. It takes the same overhead, lights, heat, and staff time to evaluate credentials, work through paperwork, and there is also investigation cost.

CO-CHAIR FIELDS asked Ms. Chambers whether she objects to being given the authority as long as it is "may" or whether it is better to just not be given that authority.

MS. CHAMBERS answered that this is not a novel or unusual concept as many of the division's licensing programs give the board the authority to evaluate credentials and determine if someone is qualified and then to have the intent to meet this niche market. The division would not want to stand in the way, but those conversations haven't happened regarding the cost or the application workload and what the credentials might look like. The division doesn't have any objection to it, she continued, but there are details that need to be worked out and she cannot guarantee that there would be a lower fee for this type of license.

[5:41:53 PM](#)

REPRESENTATIVE MCCARTY said he would like to define similar in relation to Ms. Chambers' statement that there are other boards which have something similar. He asked whether other boards have a part-time license position.

MS. CHAMBERS replied that many boards have inactive licenses or "sort of a license light," so to speak. She said she would get back to the committee on whether a true part-time license exists with other programs.

REPRESENTATIVE MCCARTY stated that a part-time license position would suggest that a licensee is working part time, say 20 hours. He surmised that a lot more would be put on the division in having to verify that a person is not working more than 20 hours given that a lower cost could result in someone saying they are part-time and then working under the table. The division, he continued, would put more energy on a part-time person for the privilege of the title, a privilege that exists for full time for \$500 every two years.

MS. CHAMBERS responded that this is an important nuance. She suggested that the inactive license might be the same thing to allow someone to continue to use their title without seeing patients. There is a potential for risk, she continued, so the division would likely have someone attest under penalty of law that they have only worked those 20 hours a week and that they have met the legal requirements. The division would then be beholden to investigate if a complaint were turned in that

someone was trying to defraud the state by working more than 20 hours a week on a part-time license. There would be no real way that the division would ask for that verification, such as records, but the division would request attestation under penalty of perjury and investigate if a complaint was received.

REPRESENTATIVE MCCARTY reiterated that it seems the division would put in a lot more energy to investigate this rather than just making it a clean piece. He inquired whether someone filing for an inactive license could carry the title of psychologist given that they would not be a practicing licensee.

MS. CHAMBERS answered that usually an inactive license is adopted by the legislature or the board to allow someone to be able to continue to call themselves a doctor or to hold that credential but without being able to practice that profession. For example, someone writing a book could call themselves "Dr. Kenneth McCarty" but could not see patients under that inactive license. Nurses, architects, engineers, and land surveyors have this - people who want to maintain the prestige and recognition of their hard work without actually practicing in the field.

[5:46:34 PM](#)

MR. REGUINDIN, at the request of Co-Chair Fields, reviewed the ninth slide, "Introduce an Inactive License," which read as follows [original punctuation provided with some formatting changes]:

- The APA Model Licensing Act notes an Inactive License for "psychologists who suffering from health problems, are on military assignment outside the state, on sabbatical, retired, or who move to another state may wish to be on inactive status."
- Relieving the psychologist from paying full licensing fees while in 'inactive' status allows them to remain in good standing without being an active practitioner.

[5:47:14 PM](#)

REPRESENTATIVE MCCARTY surmised that this language defines that inactive is not just checking a box of inactive but that the person must have a reason which fits under the criteria outlined in the language. Therefore, someone cannot just check the box of inactive just to retain the title of psychologist.

DR. LANE offered his assumption that this would be worked out in regulation, and he can envision having a comprehensive list. However, he would be concerned about a comprehensive list that wasn't actually comprehensive, but he is assuming from the point of view of HB 276 that those details would be worked out in regulation.

CO-CHAIR FIELDS asked whether this is all about paying \$500, which he said seems like a low cost for someone with a doctoral level of education.

DR. LANE responded that the inactive license is something lots of states have and the idea is to give Alaskan psychologists the same kinds of things that other states have. He said he hadn't put as much thought into the actual fees because that is something in which the board would need to have an active part.

CO-CHAIR FIELDS asked Ms. Chambers whether an inactive license would be a workable model.

MS. CHAMBERS replied yes, several programs have an inactive license where people want to say they are a nurse or an engineer, but not practice. She advised that when getting to regulations with the board a reason would not be required because there is not really a purpose behind requiring a reason. If someone was not going to practice, they would file the paperwork, the online verification with the state. With an inactive license they are not allowed to practice. The bill allows for a method to reverse that if they want to change back. The bottom line is that they would not be allowed to practice.

REPRESENTATIVE MCCARTY agreed that that is a good point. He asked whether he is correct in understanding that if someone is inactive, they can state that they have been involved in, say, engineering, but cannot say that they are a licensed engineer.

MS. CHAMBERS answered that that is not her understanding. She said her understanding is that they can still say they are an engineer, or still say that they are a psychologist; they just can't say that they are licensed to practice engineering or psychology. So, they get the benefit of the title, but they can't hold themselves out as taking engineering jobs or seeing patients and it really is for folks who are at the endpoint of their career.

[5:51:40 PM](#)

MR. REGUINDIN concluded his presentation with the tenth slide, "Practice of Psychology does not apply to," which read as follows [original punctuation provided]:

An officer, employee, or contractor of the United States Government or a tribal organization who is licensed to practice psychology in another state and is practicing psychology while in the discharge of the officer's, employee's, or contractor's official duties.

MR. REGUINDIN noted that this provision adds the term contractor and defines a tribal organization in relation to what the practice of psychology does not apply to.

[5:52:33 PM](#)

CO-CHAIR FIELDS surmised that these people would not be paying fees. He asked how many psychologists work for a tribal organization and would now not be paying fees.

MS. CHAMBERS replied that she thinks this legislation just clarifies what is already in federal law that not all, but most types, of contractors who hold a license in another state for working through the Indian Health Service through a personal service contract are considered exempt. This just adds some beneficial clarity.

DR. LANE, in response to Co-Chair Fields, concurred with Ms. Chambers.

[HB 276 was held over.]

[5:54:19 PM](#)

#### **ADJOURNMENT**

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at 5:54 p.m.