

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

April 15, 2022

9:05 a.m.

MEMBERS PRESENT

Representative Zack Fields, Co-Chair
Representative Ivy Spohnholz, Co-Chair
Representative Calvin Schrage (via teleconference)
Representative David Nelson
Representative James Kaufman

MEMBERS ABSENT

Representative Liz Snyder
Representative Ken McCarty

COMMITTEE CALENDAR

CONFIRMATION HEARING(S) :

Board of Certified Real Estate Appraisers

Valery Kudryn - Wasilla

- HEARD AND HELD

Real Estate Commission

Devon (Thomas) Doran - Wasilla

Chad Stigen - Palmer

- HEARD AND HELD

Board of Examiners in Optometry

Kathleen Rice, OD - Kenai

- HEARD AND HELD

Board of Direct Entry Midwives

Hanna St. George - Fairbanks

- HEARD AND HELD

Board of Social Work Examiners

Gabriel King - North Pole

- HEARD AND HELD

BOARD OF VETERINARY EXAMINERS

Ciara Vollaro, DVM - Palmer

- HEARD AND HELD

HOUSE BILL NO. 405

"An Act relating to the establishment of trusts; requiring the filing of certain trust information; and requiring compliance with a federal law."

- HEARD & HELD

HOUSE BILL NO. 406

"An Act relating to the validity of trusts involving persons sanctioned by the United States Department of the Treasury; and relating to the recording of documents conveying land to persons sanctioned by the United States Department of the Treasury."

- HEARD & HELD

HOUSE BILL NO. 407

"An Act relating to commerce with Russia; relating to the use of the ports in the state; and providing for an effective date."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 405

SHORT TITLE: ESTABLISHMENT OF TRUSTS

SPONSOR(S): LABOR & COMMERCE

04/04/22	(H)	READ THE FIRST TIME - REFERRALS
04/04/22	(H)	L&C
04/08/22	(H)	L&C AT 9:00 AM BARNES 124
04/08/22	(H)	-- MEETING CANCELED --
04/15/22	(H)	L&C AT 9:00 AM BARNES 124

BILL: HB 406

SHORT TITLE: MORATORIUM ON TRUSTS/PROPERTY ACQUISITION
SPONSOR(s): LABOR & COMMERCE

04/04/22 (H) READ THE FIRST TIME - REFERRALS
04/04/22 (H) L&C
04/08/22 (H) L&C AT 9:00 AM BARNES 124
04/08/22 (H) -- MEETING CANCELED --
04/15/22 (H) L&C AT 9:00 AM BARNES 124

BILL: HB 407

SHORT TITLE: PROHIBIT COMMERCE WITH RUSSIA
SPONSOR(s): LABOR & COMMERCE

04/04/22 (H) READ THE FIRST TIME - REFERRALS
04/04/22 (H) L&C
04/08/22 (H) L&C AT 9:00 AM BARNES 124
04/08/22 (H) -- MEETING CANCELED --
04/15/22 (H) L&C AT 9:00 AM BARNES 124

WITNESS REGISTER

VALERY KUDRYN, Appointee
Board of Certified Real Estate Appraisers
Division of Corporations, Business and Professional Licensing
Department of Commerce, Community, and Economic Development
Wasilla, Alaska

POSITION STATEMENT: Testified as appointee to the Board of Certified Real Estate Appraisers.

DEVON "THOMAS" DORAN, Appointee
Real Estate Commission
Division of Corporations, Business and Professional Licensing
Department of Commerce, Community, and Economic Development
Wasilla, Alaska

POSITION STATEMENT: Testified as appointee to the Real Estate Commission.

CHAD STIGEN, Appointee
Real Estate Commission
Division of Corporations, Business and Professional Licensing
Department of Commerce, Community, and Economic Development
Palmer, Alaska

POSITION STATEMENT: Testified as appointee to the Real Estate Commission.

KATHLEEN RICE, OD, Appointee
Board of Examiners in Optometry

Division of Corporations, Business and Professional Licensing
Department of Commerce, Community, and Economic Development
Kenai, Alaska

POSITION STATEMENT: Testified as appointee to the Board of Examiners in Optometry.

HANNA ST. GEORGE, Appointee
Board of Certified Direct-Entry Midwives
Division of Corporations, Business and Professional Licensing
Department of Commerce, Community, and Economic Development
Fairbanks, Alaska

POSITION STATEMENT: Testified as appointee to the Board of Certified Direct-Entry Midwives.

GABRIEL KING, Appointee
Board of Social Work Examiners
Division of Corporations, Business and Professional Licensing
Department of Commerce, Community, and Economic Development
North Pole, Alaska

POSITION STATEMENT: Testified as appointee to the Board of Social Work Examiners.

CIARA VOLLARO, DVM, Appointee
Board of Veterinary Examiners
Division of Corporations, Business and Professional Licensing
Department of Commerce, Community, and Economic Development
Palmer, Alaska

POSITION STATEMENT: Testified as appointee to the Board of Veterinary Examiners.

EVAN ANDERSON, Staff
Representative Zack Fields
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: During the hearing on HB 405, provided a PowerPoint presentation titled "House Bill 405" on behalf of the House Labor and Commerce Standing Committee, sponsor.

RYAN GURULE, Policy Director
Financial Accountability and Corporate Transparency (FACT)
Coalition
Washington, DC

POSITION STATEMENT: Provided invited testimony in support of HB 405.

ROBERT SCHMIDT, Director
Division of Banking and Securities

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

Anchorage, Alaska

POSITION STATEMENT: During the hearing on HB 405, answered questions.

TRACY RENO, Chief Financial Examiner

Division of Banking and Securities

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

Anchorage, Alaska

POSITION STATEMENT: During the hearing on HB 405, answered questions.

EVAN ANDERSON, Staff

Representative Zack Fields

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: During the hearing on HB 406, provided a PowerPoint presentation titled "House Bill 406" on behalf of the House Labor and Commerce Standing Committee, sponsor.

RYAN GURULE, Policy Director

Financial Accountability and Corporate Transparency Coalition

Washington, DC

POSITION STATEMENT: During the hearing on HB 406, provided invited testimony with suggestions for the committee's consideration.

EVAN ANDERSON, Staff

Representative Zack Fields

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: During the hearing on HB 407, provided the sectional analysis for the bill on behalf of the House Labor and Commerce Standing Committee, sponsor.

STEVE WHITE, Captain, Executive Director

Marine Exchange of Alaska

Juneau, Alaska

POSITION STATEMENT: During the hearing on HB 407, provided invited testimony via a PowerPoint presentation titled "Russian Vessels in Alaska."

CLAYTON W.A. CHRISTY, Captain, President

Alaska Marine Pilots

POSITION STATEMENT: Dutch Harbor, Alaska During the hearing on HB 407, provided invited testimony.

ACTION NARRATIVE

[9:05:07 AM](#)

CO-CHAIR IVY SPOHNHOLZ called the House Labor and Commerce Standing Committee meeting to order at 9:05 a.m. Representatives Kaufman, Nelson, Schrage (via teleconference), Fields, and Spohnholz were present at the call to order.

CONFIRMATION HEARING(S) :
Board of Certified Real Estate Appraisers
Real Estate Commission
Board of Examiners in Optometry
Board of Direct Entry Midwives
Board of Social Work Examiners
Board of Veterinary Examiners

[9:06:42 AM](#)

CO-CHAIR SPOHNHOLZ announced that the first order of business would be consideration of the governor's appointees to various boards and commissions.

[9:07:30 AM](#)

VALERY KUDRYN, Appointee, Board of Certified Real Estate Appraisers, Division of Corporations, Business and Professional Licensing, Department of Commerce, Community, and Economic Development (DCCED), testified as appointee to the Board of Certified Real Estate Appraisers. He stated that he is a residential appraiser and has done appraisals in the [Matanuska-Susitna] Valley since 2010. During the year that he has served on this board, he related, the board has re-looked at being able to complete continuing education requirements online and modernizing the qualifying education portion from only in person to allowing for the other education opportunities that would still be in line with the board's goal to strengthen public trust in appraising. He said his primary goal in serving on the board is to strengthen public trust in appraising by ensuring competent appraisers are certified in the state and to ensure common sense regulations are in place to assist with that.

[9:08:53 AM](#)

DEVON "THOMAS" DORAN, Appointee, Real Estate Commission, Division of Corporations, Business and Professional Licensing, Department of Commerce, Community, and Economic Development, testified as appointee to the Real Estate Commission. She stated she became licensed in 2003, obtained her broker's license in 2007, and is a broker and owner of a real estate office in the Matanuska-Susitna Valley. She said she has served on local and state committees to give back to her real estate community. She has always been interested in the Real Estate Commission, she continued, because it has the most effect on protecting the consumer and how business is conducted with changing technology. The way she can serve the commission, she explained, is that as a licensed and certified real estate instructor she teaches continuing education classes, and a role of the commission is to determine what kind of education should be taken for the renewal cycle and she has already given input on the guidelines for the continuing education requirements.

[9:12:10 AM](#)

CHAD STIGEN, Appointee, Real Estate Commission, Division of Corporations, Business and Professional Licensing, Department of Commerce, Community, and Economic Development, testified as appointee to the Real Estate Commission. He stated that he became licensed about eight years ago, received his broker's license four years ago, and has brokered his own office since then. Prior to becoming licensed he worked in construction, he said, so he is interested in helping the commission from his well-rounded experience with new subdivisions, land development, property management, and new construction sales. Another reason for his interest in the commission, Mr. Stigen continued, is the need to get in front of protecting consumer privacy regarding smart homes by helping the commission establish best practices and educating licensees and consumers on how to properly handle smart home products that are conveyed when a house is resold.

[9:14:51 AM](#)

KATHLEEN RICE, OD, Appointee, Board of Examiners in Optometry, Division of Corporations, Business and Professional Licensing, Department of Commerce, Community, and Economic Development, testified as appointee to the Board of Examiners in Optometry. She said she feels it is important to give back to the optometry profession in more ways than just clinical care. She related that during her nearly 17 years of experience she has worked in the hospital setting, retail setting, and has owned her private practice since 2015. Having worked in many different settings,

she added, she feels she can relate to optometrists in different areas. Dr. Rice stated that in being on the board it is important to ensure that the public is safe, that the profession continues to be regulated, and to hold a standard of care so that everyone in Alaska regardless of location can receive similar care.

[9:16:39 AM](#)

HANNA ST. GEORGE, Appointee, Board of Certified Direct-Entry Midwives, Division of Corporations, Business and Professional Licensing, Department of Commerce, Community, and Economic Development, testified as appointee to the Board of Certified Direct-Entry Midwives. She related that she is the mother of 10 children and two foster children and has attended over 30 births as a support figure. She said she is currently working on her doula certification with a focus on post-partum support. As a public member on this board for almost four years, Ms. St. George continued, she has gained a deeper appreciation of what being a midwife entails and the board is dedicated to keeping it acceptable and safe for mothers and babies.

[9:18:02 AM](#)

GABRIEL KING, Appointee, Board of Social Work Examiners, Division of Corporations, Business and Professional Licensing, Department of Commerce, Community, and Economic Development, testified as appointee to the Board of Social Work Examiners. He said he is interested in serving on this board as a public member. He related that he came to Alaska in 2016 as an infantryman stationed on Fort Wainwright, and having been honorably discharged in 2018, he now operates his photography business full time, traveling across the state. He noted that he is currently pursuing a bachelor's degree in political science at the University of Alaska Fairbanks. Serving on the Board of Social Work Examiners is a way to give back to his community, Mr. King stated. Mental health and social services are an integral component for everyone, he continued, and it is imperative that everyone has safe and efficacious access to quality providers in their respective program. He said this is his first appointment to this board and he believes he can bring fresh perspective to the many matters before the board.

[9:19:37 AM](#)

CIARA VOLLARO, DVM, Appointee, Board of Veterinary Examiners, Division of Corporations, Business and Professional Licensing,

Department of Commerce, Community, and Economic Development, testified as appointee to the Board of Veterinary Examiners. She stated that she graduated from Western University of Health Sciences [College of Veterinary Medicine]. She said she has been practicing veterinary medicine since 2007 and is currently an associate veterinarian and medical director at Tier 1 Veterinary Medical Center. Dr. Vollaro noted that this is her first time serving on a board, and she is interested in serving on this board to support the veterinary profession's rapid growth and change, and to ensure that veterinarians continue to provide high quality medicine.

[9:20:45 AM](#),

CO-CHAIR SPOHNHOLZ opened public testimony on the governor's appointees to various boards and commissions, then closed it after ascertaining that no one wished to testify.

[Advancements of the appointees were held over.]

HB 405-ESTABLISHMENT OF TRUSTS

[9:21:05 AM](#)

CO-CHAIR SPOHNHOLZ announced that the next order of business would be HOUSE BILL NO. 405, "An Act relating to the establishment of trusts; requiring the filing of certain trust information; and requiring compliance with a federal law."

CO-CHAIR SPOHNHOLZ noted that HB 405 is part of a package of bills the committee is considering regarding Russian investment in Alaska.

[9:21:21 AM](#)

CO-CHAIR FIELDS introduced HB 405 on behalf of the House Labor and Commerce Standing Committee, sponsor. He stated that a request was put in for this legislation shortly after Russia invaded Ukraine, at which time people started asking themselves about their roles as citizens in supporting the free people in Ukraine and ensuring that Putin and his allies were not inadvertently being given access to resources that they would use to wage war on Ukraine. The idea of the bills before the committee today, he explained, is to ensure that oligarchs aligned with Putin or Putin's family are not able to shelter wealth or generate wealth in Alaska. Two of the bills are on trusts and property and one is on preventing offloading of

Russian imports at Alaska ports. He deferred to Mr. Evan Anderson of his staff to provide details on the bill.

[9:22:53 AM](#)

EVAN ANDERSON, Staff, Representative Zack Fields, Alaska State Legislature, provided a PowerPoint presentation titled "House Bill 405" on behalf of the House Labor and Commerce Standing Committee, sponsor. He displayed the second slide, "HB 405: Establishment of trusts," and stated that the bill would update Alaska law to ensure trusts in Alaska will not be used to shield assets of Russian oligarchs or other enemies of the United States. He said the bill would ensure state trust law is consistent with federal transparency requirements and would provide clarity for industry as well as state and federal regulators moving forward.

MR. ANDERSON discussed the graphic on the third slide, "What is a trust?" He explained that the graphic is visual depiction of the complex web of relationships formalized by a legal trust. He said a basic trust is a three-way arrangement. A settlor puts assets into a trust which is managed by a trustee, typically a lawyer, on behalf of beneficiaries. One of the many types of trusts is a discretionary trust where the trustee has discretion to decide who gets what, when. The beneficiaries can argue that until they receive a distribution they aren't entitled to any of the trust assets because it is all up to the trustee; the assets have been given away by the settlor, but nobody is entitled to them yet. So, Mr. Anderson continued, they are in what's considered ownerless limbo, ringfenced from tax, from creditors, or from the rule of law. He clarified that most of the people with trusts in Alaska are law-abiding U.S. citizens who deserve to plan their estates and set assets into trusts for their family members.

MR. ANDERSON spoke from the fourth slide, "History of Trusts in Alaska," which read as follows [original punctuation provided]:

- Prior to the Alaska State Constitution, trust law traces back to England in the Middle Ages
- **1959 - 1998:** trust in Alaska operated as they do in the vast majority of states
- **1998:** Alaska became the second state in the country to enact super-trust laws

- **1998 - 2021:** Alaska initially captured national investment. However, other states joined South Dakota & Alaska - including Nevada, Delaware, and Wyoming - enacting new laws to expand the authority of trusts. Increased competition led to many of the larger accounts leaving the state
- In **October 2021**, a series of leaks revealed that Alaska & five other U.S. states have attracted vast sums of wealth and could be sheltering funds for the globe's most violent and corrupt criminals

MR. ANDERSON compared Alaska's trust laws to others around the U.S. and the globe. He showed the fifth slide, "Financial Secrecy Index," and stated that the Financial Secrecy Index (FSI), prepared by the Tax Justice Network, is a globally recognized measure of how secrecy laws impact global financial flows. He said the orange color indicates the locations of the best measure of secrecy and thereby the most global financial flow. In 2022, he related, the U.S. was second behind the Cayman Islands, with South Dakota, Alaska, Nevada, [Delaware, and Wyoming] being the main contributors to that placement.

MR. ANDERSON turned to the chart on the sixth slide, "Choosing the Correct Jurisdiction: An Objective Comparison," and noted that the chart is marketing by the Bridgeford Trust Company, a private firm based in South Dakota that publishes this comparison information on its website; Alaska is number four on this list. He said Bridgeford Trust Company specializes in marketing South Dakota and other U.S. states to some of the wealthiest families in Latin America.

MR. ANDERSON proceeded to the seventh slide, "Pandora Papers show foreign money secretly floods U.S. Tax havens. Some of it is tainted." He stated that the 2021 Pandora Papers reveal a small slice of the extent to which American companies are involved in global tax evasion, money laundering, and corruption. He said one example in the Pandora Papers is the story of Federico Kong Vielman [eighth slide], a Guatemalan businessperson] with \$13.5 million in assets held in trust in South Dakota, according to leaks. Mr. Kong Vielman's palm oil company was cited by the U.S. government for hiring workers for inadequate pay with inadequate safety protection and his company was also named as a contributor to toxic pollutants in a local river. While Guatemalan courts acted on the other companies named in that citation as causing the pollution, he continued, they did not act against the Kong Vielman family.

MR. ANDERSON moved to the ninth slide, "Global Reform Efforts." He stated that despite the very real possibility that U.S. trusts are being used to shelter funds for oligarchs and dictators, there is some good news. The global community has taken major steps, especially in the last 10 years, to enact reforms, he continued. The Financial Action Task Force (FATF) issued recommendations in 2012. Initially an intergovernmental initiative of the G7 countries in 1989, this intergovernmental organization has grown to now include 39 global members, including the U.S. Its recommendations set up a framework that gives Alaska something to follow, he advised. Alaska can also look to the European Union which has issued five anti-money-laundering directives over the past few decades, most recently requiring public disclosure of beneficial ownership information for trusts. In 2018 the Bahamas enacted reforms, he continued. Showing up in the Pandora Papers multiple times, much of the accounts that left the Bahamas when the Bahamas enacted reforms have moved into U.S. states, many of them South Dakota. As of 2020, Mr. Anderson pointed out, 17 of the least restrictive jurisdictions for trusts anywhere in the world are U.S. states. That is where federal regulations start to come in, he stated. In 2021, the Corporate Transparency Act was signed into law by President Biden. Last month, the United Kingdom (UK), another of the most permissive places in the world for trusts, passed the Economic Crime (Transparency & Enforcement) Act following the Russian invasion of Ukraine.

MR. ANDERSON displayed the tenth slide, "Which US states have the most trusts in the Pandora Papers?" He said it is South Dakota by far, and Alaska is not named on the list of the top five. But this is not a complete picture of the problem, he continued. It is just one leak and the full extent to which Alaska is involved is unknown.

MR. ANDERSON concluded with the eleventh slide. Regarding what these policies have to do with Russia and its oligarchs, he said it is known that Russian President Vladimir Putin built his war effort with the profits from oil and gas, seafood, and other trade bids. He read from a quote by Ian Gary, Executive Director of the Financial Accountability and Corporate Transparency (FACT) Coalition, which states: "The secrecy currently afforded by the U.S. and other Western legal and financial systems contributed to President Putin's empowerment."

[9:31:29 AM](#)

CO-CHAIR FIELDS added that Alaska's trust laws are currently so opaque that it wouldn't be known if oligarchs are sheltering their assets in the state, and hence the need for legislation.

CO-CHAIR SPOHNHOLZ reiterated that trusts are used by many law-abiding citizens and the intention of HB 405 [and HB 406 and HB 407] is to address those who are using Alaska as a way of avoiding the law.

REPRESENTATIVE KAUFMAN said he would like to see more clarity around the problem stated because the legislation seems to be impugning trusts. One person's secrecy is another person's privacy, he continued, and many of those people are citizens who deserve privacy.

CO-CHAIR FIELDS agreed that most people who use trusts are law-abiding citizens that are using trusts for appropriately legitimate reasons. The goal, he explained, is to ensure that the small percentage of law breakers don't exploit a system in which many law-abiding people participate. He said HB 405 and HB 406 are largely transparency requirements that would do no harm to everyone who is a law-abiding family trust holder.

[9:34:02 AM](#)

MR. ANDERSON provided the sectional analysis of HB 405. He paraphrased from the document in the committee packet titled "Sectional Analysis House Bill 405 - Version A," which read as follows [original punctuation provided]:

*** Section 1.** AS 13.36.005(a) amends existing documentation requirements to require an address, either business or residential address, as part of the initial court filing.

*** Sec. 2.** AS 13.36 is amended by adding a new section that requires new trusts to file establishment paperwork with the Department of Commerce, Community, & Economic Development, including the names of the trustee, the settlor, the beneficiary, and the person or individual filing the documentation. DCCED will establish a fee for establishment.

This section affirms the confidential nature of trust information. Public disclosure of private information contained within trusts is unlawful. DCCED has non-disclosure agreements in place for staff in other

departments to retain confidentiality. Non-disclosure provisions could be expanded to Division of Banking & Securities staff handling confidential trust information.

This section allows DCCED to release trust information to the U.S. Department of the Treasury. This is a logical next step for protecting Alaska's trust industry in the 21st century - all are welcome here, except war criminals and terrorists.

*** Sec. 3.** This section provides for an effective date. This bill will not impact trusts established prior to its effective date.

MR. ANDERSON pointed out that a draft [proposed] committee substitute (CS) has been received, so there may be some changes to present to the committee at the bill's next hearing. Regarding Section 1, he said there have been lengthy discussions with the Division of Legislative Legal Services because, under existing structures in Alaska statute, no address is required for filing if a trust does not have a business address associated with it. Family trusts might have nothing to do with a business, he continued, so this seemed like a clear loophole that was easy to close. Regarding Section 2, Mr. Anderson pointed out that public disclosure of private information contained within trusts is unlawful and would remain unlawful with the passage of HB 405.

[9:36:44 AM](#)

CO-CHAIR SPOHNHOLZ asked Mr. Anderson to address Representative Kaufman's question.

MR. ANDERSON referred to the ninth slide regarding global reforms where some jurisdictions around the globe are requiring public disclosure of beneficial ownership information. But, he advised, this is not the intention in HB 405 as that would be going further than the Corporate Transparency Act, federal law which does not require public disclosure of that information. Rather, he continued, it creates a central registry through the U.S. Department of Treasury, so there is no risk to confidentiality of that information.

CO-CHAIR SPOHNHOLZ began invited testimony on HB 405.

[9:37:44 AM](#)

RYAN GURULE, Policy Director, Financial Accountability and Corporate Transparency (FACT) Coalition, provided invited testimony in support of HB 405. He noted that the FACT Coalition is a nonpartisan alliance of members dedicated to standing up structural reforms to combat harms flowing from financial secrecy and vulnerabilities in the U.S. financial system that facilitate money laundering, sanctions evasion, corruption, tax dodging, and illicit financial flows.

MR. GURULE said the Pandora Papers offer concrete evidence that the U.S. is a singular financial jurisdiction, an undesirable status that erodes the tax bases of the U.S. and its allies, undermines U.S. national security, compromises U.S. financial markets, and weakens democracy in the U.S. and abroad. He said the effects of these harms manifest not as academic concerns but as direct impacts to local U.S. communities. The financial secrecy afforded by the U.S. and its allies, he continued, has previously enriched and empowered potentially adversarial regimes, including Russian President Putin, giving his inner circle a backdoor to evade earlier sanctions and emboldening their corrupt and criminal behavior.

MR. GURULE related that, given the risks posed by financial secrecy, the Biden Administration and bipartisan efforts in Congress have prioritized bringing greater transparency to U.S. legal entities in the fight against corruption. Dismantling secretive systems that enable corrupt actors and tax dodgers to avoid accountability can also make well-coordinated sanctions targeting the wealth of Putin and oligarchs more effective today and make it less likely for needing similar retaliatory efforts against kleptocrats in the future.

MR. GURULE specified that anonymous shell companies and arrangements capable of being formed or otherwise investing or doing business in the U.S., pose one of the biggest vulnerabilities to the U.S. financial system. He related that an analysis by Global Financial Integrity found that, until recently in all 50 states, more personal information was needed to obtain a library card than to establish a legal entity that can be used to facilitate tax evasion, money laundering, fraud, and corruption.

MR. GURULE stated that the Pandora Papers specifically implicate U.S. trusts as one of the most significant gaps in the U.S. anti-money laundering regulatory regime. Alaska, he continued,

has its own sordid history with commoditizing financial secrecy, making the proposed reforms discussed today even more critical.

MR. GURULE related that in the 1990's, struggling with depressed oil prices, Alaska was looking for new ways to attract outside capital investment. From that position, he said, Alaska considered and passed changes to its trust laws first suggested by a New York lawyer that would push the state far outside existing trust laws and soon would result in Delaware, Nevada, and South Dakota following Alaska into the rabbit hole. The result, he continued, is a competition for foreign capital seeking effective anonymity, not just protection for future claims against heirs.

MR. GURULE said the benefits of this anonymity for out-of-state tax-dodgers, corrupt politicians, and others seeking to avoid public accountability has been obvious since the start. Whether equivocal and offsetting benefits have been realized by Alaska's citizenry or that of other states that are victims of the race-to-the bottom for attracting shadow capital is more questionable. As international tax and financial transparency measures have begun to peel back secrecy in traditional tax havens, he continued, cross-border deposits in U.S. financial institutions, often held in trust or via other legal anonymous vehicles, have substantially increased.

MR. GURULE advised that it is known from the Pandora Papers that U.S. trusts are being heavily abused. For example, the same secrecy afforded by Alaska created the impetus for a known human rights' violator to relocate his trust assets from the Bahamas to the U.S. The Pandora Papers, he noted, are just one leak of data and should not be viewed as indicative of the entire universe of problematic anonymous U.S. investment by corrupt or criminal actors. Rather, he said, the Pandora Papers serve as an indictment on the financial secrecy afforded by U.S. laws, including those in Alaska.

MR. GURULE related that on 1/1/21 Congress took steps to address threats posed by anonymous legal entities and passed the bipartisan Corporate Transparency Act (CTA). He said this measure requires corporations, limited liability companies, and other similar entities formed or registering to do business in a state by a filing with a secretary of state or similar office, to disclose their true, natural owner to a secure directory housed and maintained at Treasury's Financial Crimes Enforcement Network (FinCEN).

MR. GURULE conveyed that the FACT Coalition previously filed comments on best practices for establishing the directory in response to FinCEN's first proposed rulemaking, including addressing who should file disclosures, when they should file, what information they should provide, and how certain exemptions should be handled. He said FinCEN has announced that it plans to issue a second proposed rulemaking addressing access to the directory, including by state, tribal and local law enforcement agencies. He noted that the FACT Coalition has advocated for uncomplicated and complete access for authorized users.

MR. GURULE pointed out that the application of the CTA to certain trusts remains unclear. He explained that for those trusts which file only with local courts, or that do not file at all in connection with formation or other key events, such as relocating to Alaska, the CTA may apply to varying degrees based on final rules when promulgated.

MR. GURULE stated that HB 405 takes important steps to clarify the application of the Corporate Transparency Act to trusts administered in Alaska. He said HB 405 also makes clear that Alaska will have ready access to the information necessary to ensure that its trust industry is attracting the type of investment that does not put Alaskan citizens at risk of greater national security threats or rising prices contributed to by global geopolitical conflicts.

MR. GURULE offered the FACT Coalition's support for HB 405 and Alaska's efforts to pivot from the secrecy rat-race toward being a singular leader in promoting greater financial transparency. He urged that the bill incorporate five policy recommendations to ensure that HB 405 brings greater transparency to the trust industry in Alaska in a way that does not afford workarounds to bad actors and helps to bring about an end to the American tax-haven:

1. At a minimum, beneficial ownership reporting should apply to any trust governed by Alaskan law, administered in whole or in part in Alaska or by an Alaskan trustee, or that otherwise has situs in Alaska. Legacy trusts should be timely incorporated into the regime, as should any relocating trust.
2. All relevant actors should be covered. A strong definition of beneficial owners should look to control of trust governance and assets and rights to, or control over, distributions of trust assets, including for protectors, trustees, settlors or grantors, and certain beneficiaries.
3. The bill should create a clear, affirmative obligation for Alaskan trusts to file under the CTA.
4. The bill should require ongoing reporting, monitoring, and verification. Changes in beneficial ownership

should be reported in a timely fashion, and data best practices should apply to the collection, storage, and authorized dissemination of information collected under the bill. Reporting burdens would be minimal in all but the most complicated structures, which are likely purposefully opaque. Employing standardized, best data practices would further reduce reporting costs. 5. Additional secrecy rights should not be created by the bill, and appropriate penalties or distribution prohibitions should be considered for any party that provides false information, directly or indirectly, or that fails to provide required information.

MR. GURULE concluded by stating that federalism is made better when states innovate in ways that reinforce democracy, open and transparent markets, and national security. The opposite is true, he said, when states compete for investment through financial secrecy to lure potentially corrupt, illicit, or criminal capital. Like Congress, he continued, the Alaska State Legislature has an important role to play in ensuring that the Alaskan and U.S. financial systems are not vehicles for tax dodging, corruption, human rights abuses, or other financial harms.

[9:47:19 AM](#)

CO-CHAIR FIELDS requested that Mr. Robert Schmidt address the potential problems that could be had with such opacity of trusts and the risk for abuse.

CO-CHAIR SPOHNHOLZ requested that Mr. Schmidt also address the fiscal note. She recalled Mr. Schmidt stating that the division already has a system that could be used for handling the transparency elements incorporated within HB 405.

[9:47:58 AM](#)

ROBERT SCHMIDT, Director, Division of Banking and Securities, Department of Commerce, Community, and Economic Development (DEED), answered questions related to HB 405. He specified that under its current role the Division of Banking and Securities regulates trust companies; but the division does not regulate trusts. He said the division performs safety and soundness examinations of trust companies under Title 6, the banking statutes. If a trust has assets on deposit in a state chartered financial institution, he continued, the division also performs safety and soundness examinations of those financial institutions under Title 6. He pointed out that the division

does not examine, register, license, approve, or otherwise review individual trusts which are governed by Title 13. He said the division appreciates the concern that Alaska trust laws may be used inappropriately, and that he will be speaking with the committee next week on HB 408 which addresses that concern. He advised that the committee must also balance and consider how trusts are being used as an estate planning tool by everyday Alaskans.

[9:49:28 AM](#)

TRACY RENO, Chief Financial Examiner, Division of Banking and Securities, Department of Commerce, Community, and Economic Development (DEED), answered questions related to HB 405. She explained that the division's database is a repository for information under which electronic documents and contact information can be saved. She said the division, in looking at HB 405, may need to consider and research some other things. Regarding the Office of Foreign Assets Control (OFAC) requirements, she advised that it is not one-and-done because onboarding must be performed, certain things must be identified with individuals, and when trusts are changed or amended the information must be updated. She further advised that if the division is required to check this information against OFAC or a sanction list it would probably necessitate bringing on additional vendors to check those lists periodically because they change daily if not hourly depending on who is being sanctioned, countries or individuals. The division can have a repository to hold the information, she continued, but more research will be needed if [the legislature] wants more to be done, such as reaching out to OFAC to find out what the division would have to do, how it would be recorded, and the liabilities for employees if there is failure to identify someone on the sanction list and it isn't recorded. She said the bill deals with a situation that [the division] should be concerned about, but more work is needed to get into the details.

[9:51:35 AM](#)

CO-CHAIR FIELDS offered his understanding that if HB 405 and HB 406 were enacted and it was required for these trusts to disclose to the department who their beneficiaries are, if an oligarch on a sanctions list is identified, the department would then report that to the Treasury Department, and it is the Treasury Department that would take action to freeze the assets.

MS. RENO responded that that is her unconfirmed understanding. She said she would need to speak with OFAC to determine what steps would need to be taken and how and when. She explained that [the department] does not currently hold that personal private information and report it to OFAC, which is under the U.S. Department of the Treasury, so she doesn't know all the steps that would need to be in place for that to happen.

[9:53:08 AM](#)

CO-CHAIR SPOHNHOLZ surmised there would be some sort of risk-based analysis for determining which trusts need to be checked against the bad actors that are being looked for.

MS. RENO pointed out that HB 405 says that every trust that is established will have to file the paperwork with the department, and the department would be running the information against the OFAC list. She said every trust coming in that the department is holding information on would have to be run periodically through the database and through the sanctions list because those lists change daily, so she assumes it would be an automated system through a vendor.

CO-CHAIR SPOHNHOLZ surmised it could be done on an annual basis.

MS. RENO answered that she doesn't know the specifics, but she thinks an OFAC requirement is that it must be done every so often to report it within a certain time period so as to not be held liable for criminal penalty.

CO-CHAIR SPOHNHOLZ said the committee will ask the department to follow up with answers to its questions.

[9:55:01 AM](#)

CO-CHAIR FIELDS stressed that there is a very important state role because if Alaska doesn't identify potential oligarchs who might be sheltering wealth in the state, then the federal law is rendered ineffective.

CO-CHAIR SPOHNHOLZ concurred.

[HB 405 was held over.]

HB 406-MORATORIUM ON TRUSTS/PROPERTY ACQUISITION

[9:55:20 AM](#)

CO-CHAIR SPOHNHOLZ announced that the next order of business would be HOUSE BILL NO. 406, "An Act relating to the validity of trusts involving persons sanctioned by the United States Department of the Treasury; and relating to the recording of documents conveying land to persons sanctioned by the United States Department of the Treasury."

[9:55:35 AM](#)

EVAN ANDERSON, Staff, Representative Zack Fields, Alaska State Legislature, provided a PowerPoint presentation titled "House Bill 406" on behalf of the House Labor and Commerce Standing Committee, sponsor. He spoke from the fourteenth slide, "HB 406: Moratorium on Trusts / Property Acquisition." He explained that HB 406 would: update Alaska law to ensure trusts held or managed by enemies of the United States can no longer operate in the state of Alaska; prohibit these individuals from acquiring real estate, which is the biggest difference between HB 406 and HB 405; and protect Alaskans' access to services provided by trusts, such as estate planning, while ensuring foreign adversaries cannot hide their wealth in Alaska.

MR. ANDERSON moved to the fifteenth slide, "Office of Foreign Asset Control," and stated that the U.S. Department of the Treasury has used economic power to freeze assets of enemies of the U.S. since 1940 when Nazi Germany invaded Norway. He said OFAC's authorities were expanded with the 2016 Global Magnitsky Act and stressed that sanctions from OFAC target individuals, not countries, deemed enemies of the U.S. He specified that financial transactions with individuals on the sanctions list are prohibited for U.S. citizens, which makes it even more concerning that Alaska's trust laws could potentially conceal some of these transactions. He stated that [in October 2021] the Pandora Papers revealed that U.S. states like Alaska have trust laws so strong that they may effectively conceal assets of international criminals.

MR. ANDERSON displayed a photograph on the sixteenth slide depicting Monaco's Monte Carlo Star, a luxury apartment complex located between the casino [and the sea] and which has in front of it a marina full of yachts. He said the complex was worth \$3.1 million when it was cited in the Pandora Papers. He related that according to a recent report by the International Consortium of Investigative Journalists (ICIJ), one of the multi-million-dollar flats inside this building was purchased through a Caribbean-based shell company in 2003 for Alina

Kabaeva, whom some reports have identified as the rumored mother to a child of Russian President Putin.

MR. ANDERSON presented the seventeenth slide, "Why do criminals like trusts?" He paraphrased a quote from ["The Puppet Masters" report by the World Bank, October 2011], which states: "Trusts prove such a hurdle to investigation, prosecution (or civil judgment), and asset recovery that they are seldom prioritized in corruption investigations. Investigators and prosecutors tend not to bring charges against trusts, because of the difficulty in proving their role in the crime...".

MR. ANDERSON showed the nineteenth slide and said the photograph includes Alisher Usmanov, a notorious Russian oligarch who until recently was majority owner of Arsenal football club in the United Kingdom (UK) and who is a major financier of Putin's efforts in Russia. Mr. Anderson moved to the twentieth slide and related that Mr. Usmanov made news a few weeks ago when his spokesperson said that Mr. Usmanov's assets, including a yacht and a London apartment, were out of reach of sanctions in the UK, even though located in the UK, [because they had been transferred into irrevocable trusts]. Mr. Anderson stated that things can be done about these legal loopholes in Alaska by taking steps to integrate the state's trusts into the existing federal enforcement mechanisms.

[10:00:14 AM](#)

MR. ANDERSON reviewed the sectional analysis of HB 406. He spoke from the document provided in the committee packet titled "Sectional Analysis House Bill 406 - Version B," which read as follows [original punctuation provided]:

*** Section 1.** AS 13.36 is amended by adding a new section that strips a trust of its legal status in the State of Alaska if any individual associated with it is named on the sanctions list by U.S. Department of Treasury.

Trusts are a legal recognition of relationships - definitions for these relationships already exist in statute:

- a settlor places their assets into trust
- a trustee or trustor holds the assets in their name, but the assets do not belong to them, and they can not [sic] financially benefit from them

- a beneficiary will receive distributions from the assets held in trust

* **Sec. 2.** AS 40.17.070 is amended by adding a new subsection to make it impossible for individuals on the U.S. Department of Treasury sanctions list to acquire, sell, or gift real property in the State of Alaska.

The Recorders Office in Department of Natural Resources is responsible for keeping records on real estate transactions. The Recorders Office can utilize the Office of Foreign Assets Control sanctions list to avoid any future sale of Alaskan properties to individuals on the sanctions list.

* **Sec. 3.** This section provides for an effective date. This bill will not impact trusts established or real estate transactions completed prior to its effective date.

[10:01:41 AM](#)

CO-CHAIR SPOHNHOLZ opened invited testimony on HB 406.

[10:01:56 AM](#)

RYAN GURULE, Policy Director, Financial Accountability and Corporate Transparency (FACT) Coalition, provided invited testimony on HB 406. He urged that in promulgating HB 406 the committee consider typical real estate anti-money laundering typologies and creative corporate structuring that is available to sanctioned individuals, such as the ability to purchase real estate through trusts or other anonymous legal entities or arrangements, or via nominees. He said HB 406 needs to contemplate and look past legal blinders to identify problematic buyers. In other words, he continued, HB 405 will help to ensure that HB 406 is effectively implemented in Alaska as would similar measures with respect to other typologies. This would ensure that sanctions against oligarchs cannot be avoided through secrecy and that Alaska is encouraging the type of investment that will ensure the long-term growth of the Alaskan economy to the benefit of the Alaskan citizenry.

[10:03:55 AM](#)

The committee took an at-ease from 10:03 a.m. to 10:04 a.m.

[10:04:31 AM](#)

CO-CHAIR FIELDS opined that international criminals who use trusts to shield their assets are like vermin and it must be ensured that they cannot come into Alaska. He said Alaska cannot control what South Dakota or Nevada do, but Alaska can protect itself as well as set a good example with its state laws. These goals are important, he continued, because it is a reality that Putin and other rogue regimes operate through informal networks of hiding and generating wealth, including through criminal organizations. Alaska must do its part to stop someone like Putin from deriving funding for a criminal and aggressive regime, he added.

[10:05:36 AM](#)

CO-CHAIR SPOHNHOLZ offered her belief that the committee process will make the bill better. She stressed that the intent is not to undermine individual Alaskans or good acting Americans who want to establish trusts. She said the trust industry in Alaska is an important part of the state's commercial spectrum and most trusts are family trusts that are designed to make it easy to convey assets. [The intent], she continued, is to ensure that Alaska is not part of propping up bad actors that might take advantage of Alaska's trust system.

[HB 406 was held over.]

HB 407-PROHIBIT COMMERCE WITH RUSSIA

[10:07:06 AM](#)

CO-CHAIR SPOHNHOLZ announced that the final order of business would be HOUSE BILL NO. 407, "An Act relating to commerce with Russia; relating to the use of the ports in the state; and providing for an effective date."

CO-CHAIR SPOHNHOLZ noted that HB 407 is another bill in the suite of legislation that the committee is considering from the House Labor and Commerce Standing Committee.

[10:07:14 AM](#)

CO-CHAIR FIELDS introduced HB 407 on behalf of the House Labor and Commerce Standing Committee, sponsor. He stated that HB 407 would prohibit the importation of Russian goods specifically by using Alaska's powers of state to prohibit Russian boats from

docking at Alaskan ports and offloading goods and materials. He noted that the late Alaska Congressman Don Young introduced an important federal bill on this point, and that Congress has taken swift action to assure that there is strong federal law prohibiting the fueling of the Russian war machine through Russian imports. He further noted that some of the assets of some Russian oligarchs who were enriching Putin have been seized by other nations. He recognized that there is a lot of commerce in Alaska with Asia and Europe and said longshoremen across the U.S. have on their own refused to unload Russian products at ports. Alaska as a state should support democracy and the free people of Ukraine, he said, and HB 407 will ensure that Alaskans don't inadvertently provide financing to Putin and his aggressive regime.

[10:08:49 AM](#)

EVAN ANDERSON, Staff, Representative Zack Fields, Alaska State Legislature, provided the sectional analysis for HB 407 on behalf of the House Labor and Commerce Standing Committee, sponsor. He paraphrased from the document provided in the committee packet titled "Sectional Analysis House Bill 407 - Version A," which read as follows [original punctuation provided]:

* **Section 1.** AS 30.50 is amended by adding a new section to prohibit all Russian ships from docking at ports in Alaska.

This includes Russian-flagged vessels, ships that are crewed by Russian nationals, and ships that carry Russian cargo.

* **Sec. 2.** AS 45.45 is amended by adding a new section that bans all imports and exports with Russia, including seafood, alcohol, and oil & gas.

* **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section that permits specific trade with Russia, including the docking of specific vessels, if contracts were signed prior to the effective date.

* **Sec. 4.** AS 30.50.030 and AS 45.45.940 are repealed. Section 1 & 2 of this bill are automatically repealed after 10 years.

*** Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section that automatically repeals the provisions of this bill banning commerce with Russia, if the current security risk is resolved and the U.S. Government lifts its sanctions on Russia.

*** Sec. 6.** If, under sec. 5(a) of this Act, sec. 4 of this Act takes effect, it takes effect on the earlier of either July 1, 2032; or the day on which DCCED commissioner revises the statutes under Section 5(b)

Sec. 7. Except as provided in sec. 6 of this Act, this Act takes effect immediately under 3 AS 01.10.070(c). Provides for an effective date.

MR. ANDERSON expounded on Section 1 and explained that typically the only information tracked is for flagged vessels. However, he continued, vessels come into Alaska waters which are crewed or carry Russian cargo, and these are not always tracked under similar measures.

[10:11:49 AM](#)

CO-CHAIR SPOHNHOLZ opened invited testimony on HB 407.

[10:11:59 AM](#)

STEVE WHITE, Captain, Executive Director, Marine Exchange of Alaska, provided invited testimony on HB 407 via a PowerPoint presentation titled "Russian Vessels in Alaska." He displayed the second slide, "Sovcomflot (SCF) Vessels 2010-current 'Russia's Largest Shipping Company.'" He stated that the Marine Exchange does traffic analysis and sea traffic management, and a traffic analysis was done on Russian ships and ships that are associated with Russia or Russian companies, some of which was done for the federal government. He said SCF, a Russian-owned company with a focus on moving hydrocarbons, jet fuel, made 12 port calls at Anchorage over the last 10 years, including three [in 2022]. He related that SCF ships are flagged by Liberia, not Russia, but noted that flagging in another country is a common practice. He said the black lines on the map delineate traffic to Alaska and the white lines delineate traffic to Canada and Washington.

CAPTAIN WHITE proceeded to the third slide, "SCF Tankers at Alaska Ports 0 < COG < 180." He explained that the blue lines on the map represent where the tankers came from, east to west,

to hit Alaska ports. But, he continued, they originated in Korea and before they were in Korea they came from Russia. He reiterated that SCF is a Russian owned company but is not Russian flagged.

CAPTAIN WHITE moved to the fourth slide, "SCF Tankers at Alaska Ports 180 < COG < 360." He explained that the red lines on the map represent the tankers going back from the west to the east and that they went to Russian ports instead of South Korea.

CAPTAIN WHITE showed the fifth slide, "Russian-flagged Vessels Along the Border (2014 - 2021)." He said the two maps on the slide show the massive amount of Russian flagged vessels that came close to Alaska borders. He explained that the depictions are of the Bering Strait with tracks in color by industry [blue = fishing, black = tanker, green = cargo, orange = tug, fuchsia = passenger/pleasure, and red = military/law enforcement]. He drew attention to the map on the left and noted that the [solid blue color] that looks like water is just the fishing activity. He then brought attention to the extensive activity shown on the map to the right and said it excludes the fishing activity. He pointed out that the boat making port calls out of Nome [depicted by the fuchsia-colored line] is listed as a passenger/pleasure craft on the Automated Information System (AIS), but that it is actually a research vessel which receives its permits through the [U.S. Department of State]. Captain White turned to the sixth slide, "Russian-flagged Vessels in AK Ports 2010-current," and stated that there has not been a ton of port calls in Alaska since 2010.

CAPTAIN WHITE displayed the seventh slide, "Russian Superyachts 2010-2021." He said these superyachts of oligarchs have visited Southeast Alaska, with the last one in 2018. He offered his belief that one of the vessels has been seized by another country at this time. He pointed out that these superyachts are not flagged by Russia, but rather Bermuda and Cayman Islands, and advised that deeper analysis must often be done to figure out where [vessels] come from.

CAPTAIN WHITE spoke to the eighth slide, "Russian Vessel Calls at Alaska Ports 2010-current." He stated that not many cargo ships come from overseas directly to Alaska - much of Alaska's cargo comes from the bigger ports on the [U.S.] West Coast and then to Alaska, and a lot of that is by barge rather than cargo ship, especially in Southeast Alaska. So, he added, the control points really are in the Lower 48. He summarized by noting that over the past 11 years, there have been less than 20 commercial

visits from Russian ships which includes the Russian-owned ships that are Liberian flagged, and less than 40 personal or pleasure port calls in Alaska.

[10:18:17 AM](#)

REPRESENTATIVE KAUFMAN asked whether there would be some kind of work around for an emergency if Alaska was to close its ports to vessels owned by Russians. Responding to Captain White for clarification, he asked whether there would be a safety valve should there be a Russian vessel in distress, but Alaska has closed its ports to vessels owned by Russians.

CAPTAIN WHITE replied yes. He explained that anyone having a problem can claim force majeure, which gives the right to pull into port. He said this is a common practice internationally, and it allows for that to happen for safety reasons, such as a mechanical breakdown or humanitarian crisis.

REPRESENTATIVE KAUFMAN asked whether the bill as currently written would allow that.

CAPTAIN WHITE responded that he doesn't know all the details of the bill, but he doesn't think Alaska could write a bill that would prevent force majeure.

[10:19:56 AM](#)

CO-CHAIR SPOHNHOLZ asked whether force majeure is international law as well as U.S. law.

CAPTAIN WHITE confirmed that force majeure is international law. He said it protects U.S. vessels like other vessels that operate here; for example, a U.S. boat that needs to pull into a foreign country for an emergency reason. It is for safety of life and protection of the environment, he stated, and it is extreme circumstances.

[10:20:41 AM](#)

CLAYTON W.A. CHRISTY, Captain, President, provided invited testimony during the hearing on HB 407. He stated that Alaska Marine Pilots is a small group comprised of 10 captains mandated by the State of Alaska to provide pilotage services to vessels plying the coastal waters of Region III, Western Alaska, to assure the protection of shipping, human life and property, and the marine environment. He noted that Region III encompasses

all state waters west of 156 degrees west longitude, which includes the Alaska Peninsula, the Aleutian Islands, the west coast of Alaska including the islands of the Bering Sea, and along the northern coast to the Canadian border. He said Alaska Marine Pilots provides firsthand the pilotage services to foreign flagged vessels that are calling in Alaskan waters. Over the years, he related, Alaska Marine Pilots has seen Russian flagged oil tankers, Russian flagged research ships calling into the Port of Nome and Port of Dutch Harbor, and Russian flagged icebreakers calling into Dutch Harbor and various other ports during the years when Shell was doing its exploration in the Chukchi Sea.

[10:22:23 AM](#)

REPRESENTATIVE NELSON asked whether enactment of HB 407 would cause any concerns or dangers to utilizing Russian flagged icebreakers that are vital on the north side of Alaska.

CAPT. CHRISTY replied that, to his knowledge, this would not be harmed by the bill.

[10:23:15 AM](#)

MR. ANDERSON recalled that about four or five years ago a Russian icebreaker provided a fuel delivery to Nome when the city had run out fuel. He stated that HB 407 does not currently contain any provision for emergencies and that that change would be welcomed.

REPRESENTATIVE NELSON said that is the incident he was referring to, and he would look at that change until U.S. icebreakers are put online.

[HB 407 was held over.]

[10:25:24 AM](#)

ADJOURNMENT

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at 10:25 a.m.