

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

April 29, 2022

9:05 a.m.

MEMBERS PRESENT

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

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

CONFIRMATION HEARING(S):

Department of Commerce, Community, and Economic Development

Julie Sande - Juneau

- HEARD AND HELD

SENATE BILL NO. 186

"An Act extending the termination date of the Board of Examiners in Optometry; and providing for an effective date."

- MOVED SB 186 OUT OF COMMITTEE

CS FOR SENATE BILL NO. 193 (FIN)

"An Act extending the termination date of the Board of Chiropractic Examiners; requiring a report on audit compliance by the Board of Chiropractic Examiners; and providing for an effective date."

- MOVED CSSB 193 (FIN) OUT OF COMMITTEE

HOUSE BILL NO. 402

"An Act relating to identification requirements for contractors and home inspectors."

- HEARD & HELD

COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 185(L&C)
"An Act relating to exemptions from minimum wage."

- BILL HEARING CANCELED

COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 190(FIN)
"An Act extending the termination date of the Regulatory Commission of Alaska; relating to Regulatory Commission of Alaska regulations regarding refuse utilities; relating to the powers and duties of the legislative audit division; and providing for an effective date."

- BILL HEARING CANCELED

HOUSE BILL NO. 382
"An Act relating to insurance coverage for pharmacy services."

- BILL HEARING CANCELED

PREVIOUS COMMITTEE ACTION

BILL: SB 186

SHORT TITLE: EXTEND BOARD OF EXAMINERS IN OPTOMETRY

SPONSOR(S): SENATOR(S) STEVENS

02/09/22	(S)	READ THE FIRST TIME - REFERRALS
02/09/22	(S)	L&C, FIN
03/07/22	(S)	L&C AT 1:30 PM BELTZ 105 (TSBldg)
03/07/22	(S)	Moved SB 186 Out of Committee
03/07/22	(S)	MINUTE(L&C)
03/08/22	(S)	L&C RPT 3DP
03/08/22	(S)	DP: MICCICHE, GRAY-JACKSON, STEVENS
03/21/22	(S)	FIN AT 9:00 AM SENATE FINANCE 532
03/21/22	(S)	Heard & Held
03/21/22	(S)	MINUTE(FIN)
03/23/22	(S)	FIN AT 1:00 PM SENATE FINANCE 532
03/23/22	(S)	Moved SB 186 Out of Committee
03/23/22	(S)	MINUTE(FIN)
03/25/22	(S)	FIN RPT 5DP
03/25/22	(S)	DP: STEDMAN, BISHOP, HOFFMAN, WILSON, WIELECHOWSKI
03/28/22	(S)	TRANSMITTED TO (H)
03/28/22	(S)	VERSION: SB 186
04/04/22	(H)	READ THE FIRST TIME - REFERRALS
04/04/22	(H)	L&C, FIN

04/25/22 (H) L&C AT 3:15 PM BARNES 124
04/25/22 (H) <Bill Hearing Postponed to 4/27/22>
04/27/22 (H) L&C AT 3:15 PM BARNES 124
04/27/22 (H) Heard & Held
04/27/22 (H) MINUTE(L&C)
04/29/22 (H) L&C AT 9:00 AM BARNES 124

BILL: SB 193

SHORT TITLE: EXTEND BOARD OF CHIROPRACTIC EXAMINERS

SPONSOR(s): SENATOR(s) MICCICHE

02/15/22 (S) READ THE FIRST TIME - REFERRALS
02/15/22 (S) L&C, FIN
02/28/22 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
02/28/22 (S) Heard & Held
02/28/22 (S) MINUTE(L&C)
03/21/22 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
03/21/22 (S) Moved CSSB 193(L&C) Out of Committee
03/21/22 (S) MINUTE(L&C)
03/23/22 (S) L&C RPT CS 4DP NEW TITLE
03/23/22 (S) DP: COSTELLO, GRAY-JACKSON, STEVENS,
MICCICHE
03/28/22 (S) FIN AT 9:00 AM SENATE FINANCE 532
03/28/22 (S) -- MEETING CANCELED --
03/30/22 (S) FIN AT 9:00 AM SENATE FINANCE 532
03/30/22 (S) Heard & Held
03/30/22 (S) MINUTE(FIN)
04/05/22 (S) FIN AT 9:00 AM SENATE FINANCE 532
04/05/22 (S) Moved CSSB 193(FIN) Out of Committee
04/05/22 (S) MINUTE(FIN)
04/06/22 (S) FIN RPT CS 5DP 2NR NEW TITLE
04/06/22 (S) DP: BISHOP, HOFFMAN, WILSON, OLSON, VON
IMHOF
04/06/22 (S) NR: STEDMAN, WIELECHOWSKI
04/08/22 (S) TRANSMITTED TO (H)
04/08/22 (S) VERSION: CSSB 193(FIN)
04/09/22 (H) READ THE FIRST TIME - REFERRALS
04/09/22 (H) L&C, FIN
04/25/22 (H) L&C AT 3:15 PM BARNES 124
04/25/22 (H) <Bill Hearing Postponed to 4/27/22>
04/27/22 (H) L&C AT 3:15 PM BARNES 124
04/27/22 (H) Heard & Held
04/27/22 (H) MINUTE(L&C)
04/29/22 (H) L&C AT 9:00 AM BARNES 124

BILL: HB 402

SHORT TITLE: IDENTIFICATION OF CONTRACTOR IN ADS

SPONSOR(s) : COMMUNITY & REGIONAL AFFAIRS

03/18/22	(H)	READ THE FIRST TIME - REFERRALS
03/18/22	(H)	CRA, L&C
03/29/22	(H)	CRA AT 8:00 AM BARNES 124
03/29/22	(H)	-- MEETING CANCELED --
04/05/22	(H)	CRA AT 8:00 AM BARNES 124
04/05/22	(H)	-- MEETING CANCELED --
04/07/22	(H)	CRA AT 8:00 AM BARNES 124
04/07/22	(H)	-- MEETING CANCELED --
04/12/22	(H)	CRA AT 8:00 AM BARNES 124
04/12/22	(H)	Heard & Held
04/12/22	(H)	MINUTE(CRA)
04/14/22	(H)	CRA AT 8:00 AM BARNES 124
04/14/22	(H)	Heard & Held
04/14/22	(H)	MINUTE(CRA)
04/21/22	(H)	CRA AT 8:00 AM BARNES 124
04/21/22	(H)	-- MEETING CANCELED --
04/26/22	(H)	CRA RPT 5DP
04/26/22	(H)	DP: DRUMMOND, MCCARTY, MCCABE, SCHRAGE, HANNAN
04/26/22	(H)	CRA AT 8:00 AM BARNES 124
04/26/22	(H)	Moved HB 402 Out of Committee
04/26/22	(H)	MINUTE(CRA)
04/29/22	(H)	L&C AT 9:00 AM BARNES 124

WITNESS REGISTER

JULIE SANDE, Commissioner-Designee
Department of Commerce, Community, and Economic Development
Juneau, Alaska

POSITION STATEMENT: Testified as commissioner-designee to the Department of Commerce, Community, and Economic Development.

RYAN JOHNSTON, Staff
Representative Calvin Schrage
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Presented HB 402 on behalf of the House Community and Regional Affairs Standing Committee, sponsor, on which Representative Schrage serves as co-chair.

ACTION NARRATIVE

[9:05:30 AM](#)

CO-CHAIR IVY SPOHNHOLZ called the House Labor and Commerce Standing Committee meeting to order at 9:05 a.m. Representatives Kaufman, McCarty, Snyder, Nelson, Fields, and Spohnholz were present at the call to order. Representatives Schrage arrived as the meeting was in progress.

The committee took an at-ease from 9:06 p.m. to 9:07 p.m.

CONFIRMATION HEARING(S) :

Department of Commerce, Community, & Economic Development

[9:07:20 AM](#)

CO-CHAIR SPOHNHOLZ announced that the first order of business would be the confirmation hearing for the governor's appointee of commissioner to the Department of Commerce, Community, and Economic Development.

[9:07:36 AM](#)

JULIE SANDE, Commissioner-Designee, Department of Commerce, Community, and Economic Development, testified as commissioner-designee to the Department of Commerce, Community, and Economic Development (DCCED). She related that she was mostly raised in logging camps in rural Southeast Alaska, went to high school in Ketchikan, and volunteered as a youth at the Ketchikan Pioneer Home where the elders and pioneers shaped her as much or more than did her parents. She said she received her master's degree at the University of Southern California (USC), then worked in nonprofits a bit before returning to the [Ketchikan] Pioneer Home where she was a social worker and then director until retiring a couple years ago. She stated that while in the public sector she had several small businesses that provided services throughout the state. This public/private experience, she added, gave her balance in the differences and challenges between the two. She noted that she also served on the Alaska Industrial Development and Export Authority (AIDEA) and Alaska Energy Authority (AEA) boards, which provided her with insight into large infrastructure projects.

COMMISSIONER SANDE pointed out that with six divisions and eight corporate agencies, DCCED is wide-ranging in the services it provides across the state. She said the team of staff she represents works hard on behalf of Alaskans and she is proud of the team. She explained that DCCED's mission is to protect the consumer and build a healthy economy and strong communities. [As commissioner], she related, she serves on 12 boards, which

shows that the range provided by DCCED is big. She said she offers balance given all the experiences she has had that led her to the seat she is in today. A quality she has for this position, Commissioner Sande continued, is the ability to multi-task at a high rate of speed. Caring for a son, she added, has taught her the ability to be calm in an emergency and able to think on her feet. She assured the committee that each decision she will make will be based on what she thinks is best for Alaska and Alaskans.

[9:13:36 AM](#)

CO-CHAIR FIELDS remarked that a state can be judged by how it treats its elders and its children, so he supports Commissioner Sande based on her long service with the Ketchikan Pioneer Home. He stated that since being elected he has been surprised at the number of emails he receives expressing skepticism and distrust of AIDEA and AEA. He said he sees the administration's "Green Bank" bill [SB 125/HB 154] as an opportunity to rebuild trust in AIDEA and he supports its passage. He inquired about the commissioner's opinion in this regard. He clarified that people's mistrust of the agency has nothing to do with Commissioner Sande's merits as the commissioner.

COMMISSIONER SANDE replied that she learned about the Green Bank bill while at a recent infrastructure symposium and she thinks it provides great opportunity. She expressed her respect for AEA director Curtis Thayer and his staff. She said she knew nothing about AEA's work and mission to lower the cost of energy for Alaskans when she started serving on the board. She stated she often finds that the most vocal folks do not represent the majority, they are just the most vocal. She related that she bases her decision on looking at all the information rather than on the very vocal folks.

CO-CHAIR FIELDS recounted that during consideration of the administration's renewable portfolio standard (RPS) bill in the House Special Committee on Energy, a question was asked about whether federal or other resources could be brought in to pay for transmission to reduce consumers overall cost and help deploy some of the generation envisioned in that bill. He offered his hope that Commissioner Sande can consider looking for those resources to help build out the transmission that will enable deployment of renewable generation consistently with the RPS bill. Passing an RPS bill, he added, would be a good thing for Alaska.

COMMISSIONER SANDE expressed her appreciation.

9:17:26 AM

CO-CHAIR SPOHNHOLZ stated that the legislature and others have been working for a long time on infrastructure relating to transmission, but Alaska lacks some of the basic infrastructure to ensure that Alaskans can have sustainable and predictable access to energy in most parts of the state, including the Railbelt. She pointed out that there is no redundancy of the system as seen in other states because of Alaska's large size and the high cost of infill structure.

COMMISSIONER SANDE answered that prior to the [wildfire] of a year or more ago, she was not aware of the challenges with the Railbelt lines, which brought to light many things. She said she has toured the [Bradley Lake Hydroelectric Project] and has supported its expansion. She stated she is aware of the needs for the transmission lines and the upgrades that may need to occur. However, she continued, the cost of some of those projects are worrisome, while needed, so balance must occur as decisions are made on where to invest in these large infrastructure projects. She offered to discuss this further at another time.

9:19:16 AM

REPRESENTATIVE SNYDER requested Commissioner Sande to speak to the issue of recruitment and retention and the impact on the services that the department is expected to provide.

COMMISSIONER SANDE replied that it comes down to workforce; folks are needed in the seats to do the job and do the job well. Regarding recruitment and retention, she related advice that she was given in the past, which was that it should be the reverse - retention and recruitment - because the emphasis should always be on retaining good employees first instead of recruiting more. When making decisions, she advised, the solution will be found by bringing the decisions closest to the folks who are doing the job, especially in state government. If asked, these folks have the answer, and it is just a matter of giving them the tools that they need. So, [administrators] first need to ask the folks around them what they need to stay. The State of Alaska, she said, puts a lot of time and attention into training folks at a state level who are then lured away for higher salaries in the private sector. This has always been a challenge, but it is more of a challenge now, Commissioner Sande continued. She

related that commissioners in the administration have discussed the large infrastructure projects that are coming and have asked, How will the state properly staff these projects, and can that be done? At the level of the administration, retention and recruitment is certainly a resounding theme, if not the number one priority, but the other emphasis is on retaining the staff that the state does have.

[9:23:21 AM](#)

REPRESENTATIVE MCCARTY inquired about the commissioner's ideas for expediting the [state's] system and process for business and industry to report to the state for licensing corporations. He pointed out that protocols done in an expeditious manner help business as well as help the state in processing things so that the state isn't overwhelmed.

COMMISSIONER SANDE responded that during her individual meetings with committee members, she consistently heard concerns related to business licensing and professional licensing in Alaska. For many reasons, she said, including the COVID-19 pandemic, there was an increase in the need for licenses, especially in the healthcare field as the state was trying to get more workers into the system. Unfortunately, at the same time the state had less folks to do the work. It is never a good model to have an increase in workload and less bodies to do the work, she specified, which is part of where the frustration is coming from. She explained that a look has been taken at why something is being done and, at least for now, to stop doing it if not mandated to do it because the department needs to resolve how to get the backlog out and alleviate the pressure. She related that she thought [the department] was under pressure in January, but now with tourist season ramping up she is finding that that wasn't pressure. She expressed her appreciation for the [Dunleavy Administration's] support to figure out solutions. Whether it is a large-scale change of the department's software system, she said, or making changes to the department's myAlaska portal system, the division should be commended for the changes that [staff] have made with the tool they had in front of them. [The department] is now looking at other things, Commissioner Sande continued, which may require a large ask next year as other software systems are explored. While she does not yet have an answer on what that might be, she added, she does know that almost everything is on the table at this point.

[9:26:54 AM](#)

CO-CHAIR SPOHNHOLZ offered the committee's appreciation for the focus on removing unnecessary barriers to licensing.

CO-CHAIR FIELDS offered his appreciation for Commissioner Sande's statement about recognizing and listening to rank-and-file employees.

[The confirmation hearing was held over.]

SB 186-EXTEND BOARD OF EXAMINERS IN OPTOMETRY

[9:27:41 AM](#)

CO-CHAIR SPOHNHOLZ announced that the next order of business would be SENATE BILL NO. 186, "An Act extending the termination date of the Board of Examiners in Optometry; and providing for an effective date."

[9:28:02 AM](#)

CO-CHAIR SPOHNHOLZ opened public testimony on SB 186. After ascertaining that no one wished to testify, she closed public testimony.

[9:28:36 AM](#)

CO-CHAIR FIELDS moved to report SB 186 out of committee with individual recommendations and the accompanying fiscal note. There being no objection, SB 186 was moved out of the House Labor and Commerce Standing Committee.

SB 193-EXTEND BOARD OF CHIROPRACTIC EXAMINERS

[9:29:00 AM](#)

CO-CHAIR SPOHNHOLZ announced that the next order of business would be CS FOR SENATE BILL NO. 193(FIN), "An Act extending the termination date of the Board of Chiropractic Examiners; requiring a report on audit compliance by the Board of Chiropractic Examiners; and providing for an effective date."

[9:29:28 AM](#)

CO-CHAIR FIELDS moved to report CSSB 193(FIN) out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSSB 193(FIN) was moved out of the House Labor and Commerce Standing Committee.

HB 402-IDENTIFICATION OF CONTRACTOR IN ADS

9:29:45 AM

CO-CHAIR SPOHNHOLZ announced that the final order of business would be [HOUSE BILL NO. 402], "An Act relating to identification requirements for contractors and home inspectors."

9:30:03 AM

The committee took a brief at-ease.

9:30:39 AM

REPRESENTATIVE SCHRAGE introduced HB 402 on behalf of the House Community and Regional Affairs Standing Committee, sponsor, on which he serves as co-chair. He deferred to Mr. Ryan Johnston to present the bill.

9:31:09 AM

RYAN JOHNSTON, Staff, Representative Calvin Schrage, Alaska State Legislature, presented HB 402 on behalf of the House Community and Regional Affairs Standing Committee, sponsor, on which Representative Schrage serves as co-chair. He paraphrased from the sectional analysis included in the committee packet titled "HB 402: IDENTIFICATION OF CONTRACTORS AND HOME INSPECTORS Version A," which read as follows [original punctuation provided with some formatting changes]:

Section 1 - AS 08.18.051(b) - Page 1, Line 3 through Page 1, Line 12

Amends AS 08.18.051 regarding identification requirements for contractors in advertisements. The new language specifies that a contractor's internet website or landing page satisfies the contractor's identification requirements in advertisements so long as it contains the identifiers required under AS 08.18.051 and the advertisement states that the required information is contained on the contractor's Internet website or landing page.

Section 2 - AS 08.18.053(b) - Page 1, Line 13 through Page 2, Line 6

Amends AS 08.18.051 regarding identification requirements for registered home inspector or associate home inspector in advertisements. The new language specifies that a registered home inspector or associate home inspector internet website or landing page satisfies the registered home inspector or associate home inspector identification requirements in advertisements so long as it contains the identifiers required under AS 08.18.051 and the advertisement states that the required information is contained on the registered home inspector or associate home inspector Internet website or landing page.

Section 3 - AS 08.18.171 - Page 2, Line 7 through Page 2, Line 10

Adds a definition for "landing page", means a single web page that appears in response to clicking on a search engine optimized search result, marketing promotion, marketing email, or online advertisement.

MR. JOHNSTON explained that the root of this bill is allowing for another option. The bill does not require contractors or home inspectors to do this, it just gives the option. This is modernizing the efforts for advertising licenses for contractors and home inspectors. Currently for a contractor to take out a print ad the contractor would have to list out every license they have. Many small contractors have multiple licenses, so it is not cost effective for them to do that, and now allowing this singular website would essentially make that a moot point where at the bottom of the print ad the contractor could simply put that all licenses can be seen by going to their website.

[9:33:13 AM](#)

REPRESENTATIVE SCHRAGE specified that no changes were made to the original bill when it was moved out of the House Community and Regional Affairs Standing Committee. He drew attention to the letter of support from Associated General Contractors of Alaska. He stated that this modernization would ensure that all information is still provided but in a more efficient way.

REPRESENTATIVE MCCARTY thanked Representative Schrage for the bill.

9:34:37 AM

REPRESENTATIVE KAUFMAN asked whether the bill's scope covers any contractor that may be considered someone who does work under contract.

MR. JOHNSTON responded that it would only apply to contractors covered under AS 08.18.051. There are two sections, he noted, because one section is for home inspectors.

9:35:38 AM

CO-CHAIR SPOHNHOLZ announced that HB 402 was held over.

9:38:53 AM

ADJOURNMENT

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at 9:39 a.m.