

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

May 4, 2022

3:15 p.m.

**MEMBERS PRESENT**

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

**MEMBERS ABSENT**

Representative Liz Snyder

**COMMITTEE CALENDAR**

HOUSE BILL NO. 402

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

- MOVED HB 402 OUT OF COMMITTEE

CS FOR SENATE BILL NO. 185(L&C)

"An Act relating to exemptions from minimum wage."

- MOVED HCS CSSB 185(L&C) OUT OF COMMITTEE

CS 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."

- HEARD & HELD

HOUSE BILL NO. 408

"An Act relating to the business of money transmission; relating to money transmission licenses, licensure requirements, and registration through the Nationwide Multistate Licensing System; relating to the use of virtual currency for money transmission; relating to authorized delegates of a licensee; relating to acquisition of control of a license; relating to record

retention and reporting requirements; authorizing the Department of Commerce, Community, and Economic Development to cooperate with other states in the regulation of money transmission; relating to permissible investments; relating to violations and enforcement of money transmission laws; relating to money transmission license exemptions; relating to payroll processing services; repealing currency exchange licenses; and providing for an effective date."

- BILL HEARING CANCELED

COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 233(L&C) AM  
"An Act relating to allowable absences for permanent fund dividend qualification; and providing for an effective date."

- BILL HEARING CANCELED

**PREVIOUS COMMITTEE ACTION**

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
04/29/22	(H)	Heard & Held

04/29/22 (H) MINUTE (L&C)  
05/04/22 (H) L&C AT 3:15 PM BARNES 124

BILL: SB 185

SHORT TITLE: ELIMINATE MINIMUM WAGE EXEMPTION

SPONSOR(s): MICCICHE

02/08/22 (S) READ THE FIRST TIME - REFERRALS  
02/08/22 (S) L&C  
02/28/22 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)  
02/28/22 (S) Scheduled but Not Heard  
03/14/22 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)  
03/14/22 (S) Heard & Held  
03/14/22 (S) MINUTE(L&C)  
03/16/22 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)  
03/16/22 (S) Moved CSSB 185(L&C) Out of Committee  
03/16/22 (S) MINUTE(L&C)  
03/18/22 (S) L&C RPT CS 4DP SAME TITLE  
03/18/22 (S) DP: COSTELLO, GRAY-JACKSON, STEVENS,  
MICCICHE  
03/21/22 (S) TRANSMITTED TO (H)  
03/21/22 (S) VERSION: CSSB 185(L&C)  
03/22/22 (H) READ THE FIRST TIME - REFERRALS  
03/22/22 (H) L&C  
04/25/22 (H) L&C AT 3:15 PM BARNES 124  
04/25/22 (H) Moved CSSB 185(L&C) Out of Committee  
04/25/22 (H) MINUTE(L&C)  
04/29/22 (H) L&C AT 9:00 AM BARNES 124  
04/29/22 (H) <Bill Hearing Canceled>  
05/04/22 (H) L&C AT 3:15 PM BARNES 124

BILL: SB 190

SHORT TITLE: REGULATORY COMMISSION AK/REFUSE UTILITIES

SPONSOR(s): MYERS

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)  
03/14/22 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)  
03/14/22 (S) Moved CSSB 190(L&C) Out of Committee  
03/14/22 (S) MINUTE(L&C)  
03/15/22 (S) L&C RPT CS 5DP SAME TITLE  
03/15/22 (S) DP: COSTELLO, GRAY-JACKSON, STEVENS,  
MICCICHE, REVAK  
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) Heard & Held  
 03/23/22 (S) MINUTE(FIN)  
 03/28/22 (S) FIN AT 9:00 AM SENATE FINANCE 532  
 03/28/22 (S) -- MEETING CANCELED --  
 03/30/22 (S) FIN RPT CS 3NR 3DP NEW TITLE  
 03/30/22 (S) DP: BISHOP, HOFFMAN, WIELECHOWSKI  
 03/30/22 (S) NR: STEDMAN, WILSON, OLSON  
 03/30/22 (S) FIN AT 9:00 AM SENATE FINANCE 532  
 03/30/22 (S) Moved CSSB 190(FIN) Out of Committee  
 03/30/22 (S) MINUTE(FIN)  
 04/08/22 (S) TRANSMITTED TO (H)  
 04/08/22 (S) VERSION: CSSB 190(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  
 04/29/22 (H) <Bill Hearing Canceled>  
 05/02/22 (H) FIN AT 1:30 PM ADAMS 519  
 05/02/22 (H) Scheduled but Not Heard  
 05/02/22 (H) L&C AT 3:15 PM BARNES 124  
 05/02/22 (H) Heard & Held  
 05/02/22 (H) MINUTE(L&C)  
 05/04/22 (H) L&C AT 3:15 PM BARNES 124

**WITNESS REGISTER**

CHELSEA WARD-WALLER, Staff  
 Representative Ivy Spohnholz  
 Alaska State Legislature  
 Juneau, Alaska

**POSITION STATEMENT:** During the hearing on CSSB 185(L&C), reviewed the change made in Version N, the proposed committee substitute.

**ACTION NARRATIVE**

3:15:09 PM

**CO-CHAIR IVY SPOHNHOLZ** called the House Labor and Commerce Standing Committee meeting to order at 3:15 p.m.

Representatives Schrage, McCarty, Nelson, and Spohnholz were present at the call to order. Representatives Kaufman and Fields arrived as the meeting was in progress.

**HB 402-IDENTIFICATION OF CONTRACTOR IN ADS**

[3:16:13 PM](#)

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

[3:16:33 PM](#)

CO-CHAIR SPOHNHOLZ opened public testimony on HB 402, then closed it after ascertaining that no one wished to testify.

[3:16:53 PM](#)

CO-CHAIR FIELDS moved to report HB 402 out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, HB 402 was reported out of the House Labor and Commerce Standing Committee.

[3:17:13 PM](#)

The committee took a brief at-ease.

**SB 185-ELIMINATE MINIMUM WAGE EXEMPTION**

[3:17:27 PM](#)

CO-CHAIR SPOHNHOLZ announced that the next order of business would be CS FOR SENATE BILL NO. 185(L&C), "An Act relating to exemptions from minimum wage." [CSSB 185(L&C) was moved out of the House Labor and Commerce Standing Committee on 4/25/22.]

[3:17:53 PM](#)

CO-CHAIR FIELDS moved to rescind the committee's action in moving CSSB 185(L&C) out of committee. There being no objection, it was so ordered.

[3:18:13 PM](#)

CO-CHAIR FIELDS moved to adopt the proposed House committee substitute (HCS) for CSSB 185(L&C), Version 32-LS1443\N, Klein, 5/3/22, as the working document.

[3:18:20 PM](#)

CO-CHAIR SPOHNHOLZ objected for purposes of discussion. She explained that Version N addresses an issue identified by Girl Scout and Boy Scout camps in Alaska right after the bill was moved from the committee [on 4/25/22].

[3:18:43 PM](#)

CHELSEA WARD-WALLER, Staff, Representative Ivy Spohnholz, Alaska State Legislature, reviewed the change made in Version N. She explained that Version N adds a tiny exemption for individuals employed by nonprofit organizations for no more than three months in a calendar year at a residential summer camp who also received room and board in addition to their wage as long as the total value of the room, board, and wage meets or exceeds minimum wage.

CO-CHAIR SPOHNHOLZ stated that the committee adopted the [proposed] CS, Version N.

[3:19:22 PM](#)

REPRESENTATIVE NELSON noted that this was an oversight for several years as an exemption had been received previously. He said summer camps are an opportunity for young and emerging leaders to grow during the summer and [the bill] is a great way to ensure that the price is not outrageous for individuals to go to [camp].

[3:19:58 PM](#)

CO-CHAIR SPOHNHOLZ agreed and said that this compromise language would allow these nonprofits to continue operating camps without putting them in a risky financial position while still ensuring that Alaskans are being paid a respectable wage.

[3:20:28 PM](#)

CO-CHAIR FIELDS moved to report HCS CSSB 185(L&C), Version 32-LS1443\N, Klein, 5/3/22, out of committee with individual recommendations and the accompanying fiscal notes. There being

no objection, HCS CSSB 185(L&C) was reported out of the House Labor and Commerce Standing Committee.

[3:20:55 PM](#)

The committee took an at-ease from 3:20 p.m. to 3:22 p.m.

**SB 190-REGULATORY COMMISSION AK/REFUSE UTILITIES**

[3:22:14 PM](#)

CO-CHAIR SPOHNHOLZ announced that the final order of business would be CS 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."

CO-CHAIR SPOHNHOLZ reminded committee members that at the bill's last hearing [on 5/2/22] the committee had rejected Amendment 1.

[3:22:38 PM](#)

CO-CHAIR FIELDS moved to rescind the committee's action on Amendment 1.

[3:22:44 PM](#)

REPRESENTATIVE NELSON objected.

[3:22:53 PM](#)

The committee took an at-ease from 3:22 p.m. to 3:23 p.m.

[3:23:24 PM](#)

CO-CHAIR SPOHNHOLZ announced that Representative Nelson retained his objection to rescinding action on Amendment 1.

[3:23:34 PM](#)

A roll call vote was taken. Representatives Schrage, Fields, and Spohnholz voted in favor of rescinding action on Amendment 1 to CSSB 190(FIN). Representatives McCarty and Nelson voted against it. Therefore, action on Amendment 1 was rescinded by a vote of 3-2.

[3:24:12 PM](#)

CO-CHAIR FIELDS moved to adopt Amendment 1, labeled 32-LS1525\W.2, Radford/Ambrose, 4/28/22, which read:

Page 1, line 3, following "**division;**":

Insert "**relating to the privatization of refuse utilities;**"

Page 2, following line 8:

Insert a new bill section to read:

"\* **Sec. 3.** AS 42.05.641 is amended by adding a new subsection to read:

(b) A municipality that seeks to privatize a municipal refuse utility that is subject to the provisions of this chapter shall submit a proposal to the commission for review. The commission may approve the proposal if the commission finds that privatization will not result in higher rates for consumers and that privatization is in the public interest. A privatization proposal must include

(1) a business plan that lists the prospective vendors;

(2) the projected cost of private operation compared to continued municipal operation for a ten-year period;

(3) disclosure of any potential conflicts of interest on the part of municipal officials; and

(4) proposed methods

(A) for periodically evaluating the utility's performance to avoid diminished service quality, interruption, or stoppage of work by the contractor;

(B) to encourage competition and productivity;

(C) for monitoring a contract in order to detect any contractor defaults, monitor penalties, and prepare for contract renewals or renegotiations and inflation; and

(D) to address municipal employee displacement."

Renumber the following bill sections accordingly.

[3:24:18 PM](#)

REPRESENTATIVE NELSON objected.

[3:24:23 PM](#)

The committee took an at-ease from 3:24 p.m. to 3:26 p.m.

[3:26:26 PM](#)

CO-CHAIR SPOHNHOLZ announced that CSSB 190(FIN) was held over. [The motion to adopt Amendment 1 was left pending, with objection.]

[3:27:27 PM](#)

**ADJOURNMENT**

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at 3:27 p.m.