

ALASKA STATE LEGISLATURE
SENATE LABOR AND COMMERCE STANDING COMMITTEE

May 10, 2022

5:33 p.m.

MEMBERS PRESENT

Senator Mia Costello, Chair
Senator Joshua Revak, Vice Chair
Senator Peter Micciche
Senator Elvi Gray-Jackson

MEMBERS ABSENT

Senator Gary Stevens

COMMITTEE CALENDAR

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 133(L&C)

"An Act relating to the Alaska savings program for eligible individuals; relating to education savings programs; relating to the Education Trust of Alaska; relating to the Alaska advance college tuition savings fund; relating to the Alaska education savings program for children; and relating to the Governor's Council on Disabilities and Special Education."

- MOVED CSHB 133(L&C) OUT OF COMMITTEE

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 289(FIN)

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

- MOVED CSHB 289(FIN) OUT OF COMMITTEE

HOUSE BILL NO. 227

"An Act relating to municipal energy and resilience improvement assessment programs; and providing for an effective date."

- MOVED SCS HB 227(L&C) OUT OF COMMITTEE

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 145(HSS)

"An Act relating to the Board of Pharmacy; relating to health care services provided by pharmacists and pharmacy technicians; and relating to the practice of pharmacy."

- MOVED CSHB 145(HSS) OUT OF COMMITTEE

SENATE BILL NO. 181

"An Act relating to identification requirements for contractors."

- SCHEDULED BUT NOT HEARD

PREVIOUS COMMITTEE ACTION

BILL: HB 133

SHORT TITLE: AK ED SAVINGS PROGRAMS/ELIGIBILITY

SPONSOR(S): LABOR & COMMERCE

03/10/21	(H)	READ THE FIRST TIME - REFERRALS
03/10/21	(H)	L&C, FIN
03/17/21	(H)	L&C AT 5:45 PM BARNES 124
03/17/21	(H)	<Bill Hearing Canceled>
03/19/21	(H)	L&C AT 3:15 PM BARNES 124
03/19/21	(H)	Heard & Held
03/19/21	(H)	MINUTE(L&C)
03/24/21	(H)	L&C AT 3:15 PM DAVIS 106
03/24/21	(H)	Moved CSHB 133(L&C) Out of Committee
03/24/21	(H)	MINUTE(L&C)
03/24/21	(H)	L&C AT 5:45 PM DAVIS 106
03/24/21	(H)	-- MEETING CANCELED --
03/25/21	(H)	L&C RPT CS(L&C) 6DP 1NR
03/25/21	(H)	DP: SNYDER, SCHRAGE, MCCARTY, NELSON, SPOHNHOLZ, FIELDS
03/25/21	(H)	NR: KAUFMAN
04/07/21	(H)	HSS REPLACES FIN REFERRAL
04/07/21	(H)	BILL REPRINTED
04/20/21	(H)	HSS AT 3:00 PM DAVIS 106
04/20/21	(H)	Heard & Held
04/20/21	(H)	MINUTE(HSS)
04/22/21	(H)	HSS AT 3:00 PM DAVIS 106
04/22/21	(H)	Moved CSHB 133(L&C) Out of Committee
04/22/21	(H)	MINUTE(HSS)
04/26/21	(H)	HSS RPT CS(L&C) 5DP 1NR
04/26/21	(H)	DP: FIELDS, SPOHNHOLZ, MCCARTY, ZULKOSKY, SNYDER
04/26/21	(H)	NR: KURKA
05/07/21	(H)	TRANSMITTED TO (S)
05/07/21	(H)	VERSION: CSHB 133(L&C)
05/10/21	(S)	READ THE FIRST TIME - REFERRALS
05/10/21	(S)	HSS, L&C
02/03/22	(S)	HSS AT 1:30 PM BUTROVICH 205
02/03/22	(S)	Heard & Held

02/03/22 (S) MINUTE (HSS)
02/08/22 (S) HSS AT 1:30 PM BUTROVICH 205
02/08/22 (S) Heard & Held
02/08/22 (S) MINUTE (HSS)
02/15/22 (S) HSS AT 1:30 PM BUTROVICH 205
02/15/22 (S) Moved HB 133 Out of Committee
02/15/22 (S) MINUTE (HSS)
02/16/22 (S) HSS RPT 3NR 2DP
02/16/22 (S) NR: WILSON, REINBOLD, COSTELLO
02/16/22 (S) DP: BEGICH, HUGHES
03/23/22 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
03/23/22 (S) Heard & Held
03/23/22 (S) MINUTE (L&C)
05/10/22 (S) L&C AT 9:00 AM BELTZ 105 (TSBldg)

BILL: HB 289

SHORT TITLE: AK MARIJUANA INDUSTRY TASK FORCE

SPONSOR (s): REPRESENTATIVE (s) HOPKINS

01/26/22 (H) READ THE FIRST TIME - REFERRALS
01/26/22 (H) L&C, FIN
02/09/22 (H) L&C AT 4:30 PM BARNES 124
02/09/22 (H) Heard & Held
02/09/22 (H) MINUTE (L&C)
02/14/22 (H) L&C AT 3:15 PM BARNES 124
02/14/22 (H) Moved CSHB 289 (L&C) Out of Committee
02/14/22 (H) MINUTE (L&C)
02/16/22 (H) L&C RPT CS (L&C) 6DP 1NR
02/16/22 (H) DP: SCHRAGE, MCCARTY, NELSON, SNYDER,
FIELDS, SPOHNHOLZ
02/16/22 (H) NR: KAUFMAN
03/18/22 (H) FIN AT 1:30 PM ADAMS 519
03/18/22 (H) Heard & Held
03/18/22 (H) MINUTE (FIN)
04/20/22 (H) FIN AT 1:30 PM ADAMS 519
04/20/22 (H) Moved CSHB 289 (FIN) Out of Committee
04/20/22 (H) MINUTE (FIN)
04/25/22 (H) FIN RPT CS (FIN) 8DP 2NR
04/25/22 (H) DP: ORTIZ, EDGMON, THOMPSON, WOOL,
JOSEPHSON, RASMUSSEN, MERRICK, FOSTER
04/25/22 (H) NR: LEBON, CARPENTER
05/04/22 (H) TRANSMITTED TO (S)
05/04/22 (H) VERSION: CSHB 289 (FIN)
05/05/22 (S) READ THE FIRST TIME - REFERRALS
05/05/22 (S) L&C, FIN
05/09/22 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
05/09/22 (S) -- Invited & Public Testimony --

05/10/22 (S) L&C AT 9:00 AM BELTZ 105 (TSBldg)

BILL: HB 227

SHORT TITLE: MUNI ENERGY IMPROVEMNT ASSESSMENT PROGRAM

SPONSOR(S): REPRESENTATIVE(S) SCHRAGE

01/18/22 (H) PREFILE RELEASED 1/7/22
01/18/22 (H) READ THE FIRST TIME - REFERRALS
01/18/22 (H) ENE, CRA
01/20/22 (H) ENE AT 10:15 AM ADAMS 519
01/20/22 (H) Heard & Held
01/20/22 (H) MINUTE(ENE)
01/27/22 (H) ENE AT 10:15 AM ADAMS 519
01/27/22 (H) Moved HB 227 Out of Committee
01/27/22 (H) MINUTE(ENE)
01/31/22 (H) ENE RPT 4DP 2NR
01/31/22 (H) DP: ZULKOSKY, CLAMAN, FIELDS, SCHRAGE
01/31/22 (H) NR: KAUFMAN, RAUSCHER
03/01/22 (H) CRA AT 8:00 AM BARNES 124
03/01/22 (H) Heard & Held
03/01/22 (H) MINUTE(CRA)
03/03/22 (H) CRA AT 8:00 AM BARNES 124
03/03/22 (H) Moved HB 227 Out of Committee
03/03/22 (H) MINUTE(CRA)
03/07/22 (H) CRA RPT 3DP 3NR 1AM
03/07/22 (H) DP: DRUMMOND, HANNAN, SCHRAGE
03/07/22 (H) NR: PATKOTAK, PRAX, MCCABE
03/07/22 (H) AM: MCCARTY
03/24/22 (H) SESSION CANCELED 3/23 - ON 3/24
CALENDAR
03/24/22 (H) TECHNICAL SESSION 3/24 - ON 3/28
CALENDAR
03/28/22 (H) ADJOURNED TO 3/29 CALENDAR
03/29/22 (S) CRA AT 3:30 PM BELTZ 105 (TSBldg)
03/29/22 (S) <Pending Introduction & Referral>
03/31/22 (H) SESSION CANCELED 3/29 - ON 3/30
CALENDAR
03/31/22 (H) SESSION CANCELED 3/30 - ON 3/31
CALENDAR
03/31/22 (H) TECHNICAL SESSION 3/31 - ON 4/4
CALENDAR
04/04/22 (H) TRANSMITTED TO (S)
04/04/22 (H) VERSION: HB 227
04/05/22 (S) CRA AT 3:30 PM BELTZ 105 (TSBldg)
04/05/22 (S) Bills Previously Heard/Scheduled
04/06/22 (S) READ THE FIRST TIME - REFERRALS
04/06/22 (S) CRA, L&C

04/07/22 (S) CRA AT 3:30 PM BELTZ 105 (TSBldg)
 04/07/22 (S) Bills Previously Heard/Scheduled
 04/12/22 (S) CRA AT 3:30 PM BELTZ 105 (TSBldg)
 04/12/22 (S) Heard & Held
 04/12/22 (S) MINUTE(CRA)
 04/19/22 (S) CRA AT 3:30 PM BELTZ 105 (TSBldg)
 04/19/22 (S) Moved SCS HB 227(CRA) Out of Committee
 04/19/22 (S) MINUTE(CRA)
 04/20/22 (S) CRA RPT SCS(CRA) 2DP 1AM SAME TITLE
 04/20/22 (S) DP: HUGHES, GRAY-JACKSON
 04/20/22 (S) AM: WILSON
 04/25/22 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
 04/25/22 (S) -- Invited & Public Testimony --
 05/04/22 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
 05/04/22 (S) Heard & Held
 05/04/22 (S) MINUTE(L&C)
 05/10/22 (S) L&C AT 9:00 AM BELTZ 105 (TSBldg)

BILL: HB 145

SHORT TITLE: EXPAND PHARMACIST AUTHORITY

SPONSOR(s): REPRESENTATIVE(s) SNYDER

03/24/21 (H) READ THE FIRST TIME - REFERRALS
 03/24/21 (H) L&C, HSS
 04/12/21 (H) L&C AT 3:15 PM BARNES 124
 04/12/21 (H) Heard & Held
 04/12/21 (H) MINUTE(L&C)
 04/16/21 (H) L&C AT 8:00 AM GRUENBERG 120
 04/16/21 (H) Moved HB 145 Out of Committee
 04/16/21 (H) MINUTE(L&C)
 04/19/21 (H) L&C RPT 6DP 1NR
 04/19/21 (H) DP: SCHRAGE, MCCARTY, SNYDER, NELSON,
 FIELDS, SPOHNHOLZ
 04/19/21 (H) NR: KAUFMAN
 04/20/21 (H) HSS AT 3:00 PM DAVIS 106
 04/20/21 (H) Heard & Held
 04/20/21 (H) MINUTE(HSS)
 04/22/21 (H) HSS AT 3:00 PM DAVIS 106
 04/22/21 (H) Moved CSHB 145(HSS) Out of Committee
 04/22/21 (H) MINUTE(HSS)
 04/26/21 (H) HSS RPT CS(HSS) 5DP 1NR
 04/26/21 (H) DP: FIELDS, SPOHNHOLZ, MCCARTY,
 ZULKOSKY, SNYDER
 04/26/21 (H) NR: KURKA
 04/15/22 (H) TECHNICAL SESSION 4/15 - ON 4/19
 CALENDAR
 04/19/22 (H) NOT TAKEN UP 4/19 - ON 4/20 CALENDAR

04/20/22 (H) REFERRED TO FINANCE
 04/25/22 (H) FIN AT 1:30 PM ADAMS 519
 04/25/22 (H) Moved CSHB 145(HSS) Out of Committee
 04/25/22 (H) MINUTE(FIN)
 04/26/22 (H) FIN RPT 9DP 2NR
 04/26/22 (H) DP: ORTIZ, EDGMON, LEBON, CARPENTER,
 THOMPSON, JOSEPHSON, RASMUSSEN,
 MERRICK,
 04/26/22 (H) FOSTER
 04/26/22 (H) NR: JOHNSON, WOOL
 04/26/22 (H) BEFORE HOUSE IN THIRD READING
 04/26/22 (H) TRANSMITTED TO (S)
 04/26/22 (H) VERSION: CSHB 145(HSS)
 04/27/22 (S) READ THE FIRST TIME - REFERRALS
 04/27/22 (S) L&C
 05/09/22 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
 05/09/22 (S) -- Invited & Public Testimony --
 05/10/22 (S) L&C AT 9:00 AM BELTZ 105 (TSBldg)

WITNESS REGISTER

REPRESENTATIVE ZACK FIELDS
 Alaska State Legislature
 Juneau, Alaska
POSITION STATEMENT: Sponsor of HB 133.

REPRESENTATIVE GRIER HOPKINS
 Alaska State Legislature
 Juneau, Alaska
POSITION STATEMENT: Sponsor of HB 289.

LACY WILCOX, President
 Alaska Marijuana Industry Association (AMIA)
 Juneau, Alaska
POSITION STATEMENT: Testified in support of HB 289.

SAM HACHEY, Owner
 Tanana Herb Company (THC)
 Fairbanks, Alaska
POSITION STATEMENT: Testified in support of HB 289.

TRAVOR HAYNES, representative
 Good Cannabis
 Fairbanks, Alaska
POSITION STATEMENT: Testified in support of HB 289.

BRANDON EMMETT, representing self

Fairbanks, Alaska

POSITION STATEMENT: Testified in support of HB 289.

SARAH OATES, representing self

Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 289.

AARON MORSE, CEO and Co-Owner

Great Northern Cannabis

Anchorage, Alaska

POSITION STATEMENT: Stated support for HB 289.

REPRESENTATIVE CALVIN SCHRAGE

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: Sponsor of HB 227.

REPRESENTATIVE LIZ SNYDER

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: Sponsor of HB 145.

ALLIANA SALANGUIT, Staff

Representative Liz Snyder

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: Presented the sectional analysis for HB 145 on behalf of the sponsor.

JUSTIN RUFFRIDGE, Chair

State Board of Pharmacy

Soldotna, Alaska

POSITION STATEMENT: Answered questions during the hearing on HB 145.

TOM WADSWORTH, representing self

Wasilla, Alaska

POSITION STATEMENT: Testified in support of HB 145.

LIV SWONGER, Student

UAA/ISU Doctor of Pharmacy Program

Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 145.

RENEE ROBINSON, President

Alaska Pharmacists Association

Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 145.

ACTION NARRATIVE

[5:33:15 PM](#)

CHAIR MIA COSTELLO called the Senate Labor and Commerce Standing Committee meeting to order at 5:33 p.m. Present at the call to order were Senators Gray-Jackson, Revak, and Chair Costello. Senator Micciche arrived as the meeting was in progress.

HB 133-AK ED SAVINGS PROGRAMS/ELIGIBILITY

[5:33:55 PM](#)

CHAIR COSTELLO announced the consideration of CS FOR HOUSE BILL NO. 133(L&C) "An Act relating to the Alaska savings program for eligible individuals; relating to education savings programs; relating to the Education Trust of Alaska; relating to the Alaska advance college tuition savings fund; relating to the Alaska education savings program for children; and relating to the Governor's Council on Disabilities and Special Education."

CHAIR COSTELLO noted that this was the second hearing.

[5:34:18 PM](#)

REPRESENTATIVE ZACK FIELDS, Alaska State Legislature, Juneau, Alaska, sponsor of HB 133, introduced himself and his daughter, Zara.

REPRESENTATIVE FIELDS explained that HB 133 provides updates to the ABLE Act to conform to federal changes that strengthen the program significantly. HB 133 provides greater flexibility to roll higher education accounts into ABLE accounts; increases the age of eligibility to open an ABLE account; and tracks the federal law for the age of onset of a disability. He highlighted that since the legislature passed the initial ABLE Act, more than 750 families have opened accounts. This is a very successful program that is most helpful to families with dependents who are living with disabilities.

[5:35:55 PM](#)

SENATOR REVAK moved to report the committee substitute (CS) for HB 133, work order 32-LS0450\I, from committee with individual recommendations and attached fiscal note(s).

CHAIR COSTELLO found no objection, and CSHB 133(L&C) was reported from the Senate Labor and Commerce Standing Committee.

[5:36:27 PM](#)

At ease

HB 289-AK MARIJUANA INDUSTRY TASK FORCE

[5:38:21 PM](#)

CHAIR COSTELLO reconvened the meeting and announced the consideration of CS FOR HOUSE BILL NO. 289(FIN) "An Act establishing the Alaska marijuana industry task force; and providing for an effective date."

She noted that this was the first hearing and the intention was to hear the introduction, take public testimony, and look to the will of the committee.

[5:38:50 PM](#)

REPRESENTATIVE GRIER HOPKINS, Alaska State Legislature, Juneau, Alaska, sponsor of HB 289, stated that this legislation establishes the Alaska Marijuana Industry Task Force for the purpose of taking an overall look at the state's regulations, permitting, certificates, tax laws, and statutes relating to the marijuana industry. The task force will meet for approximately six months and bring its nonbinding recommendations to the legislature next January for consideration. He highlighted that the House Labor and Commerce Committee amended the bill to allow the task force will meet virtually. The Marijuana Control Board agreed with the amendment, which reduced the fiscal note about \$100,000. He paraphrased the sponsor statement as he described the need for the legislation: It read as follows:

[Original punctuation provided.]

Since the 2014 legalization of recreational marijuana by citizen initiative, the state of Alaska has sought to create a vibrant, sustainable and responsible marijuana industry. Under the oversight of the Marijuana Control Board, marijuana businesses have sprung up across Alaska - putting Alaskans to work, creating new revenue streams for local governments, and moving an unregulated black market out of the dark and into the public light.

While many businesses initially thrived under the terms of Alaska's marijuana market, the ongoing inequities and inflexible fiscal terms of the voter initiative has left many marijuana businesses

struggling to comply with the letter and spirit of the law. Limited scope of enforcement powers have resulted in scattershot oversight, resulting in too many small businesses running afoul of regulations.

With the wide, varied scope and size of the businesses competing in Alaska's marijuana market, it is difficult to find a single solution to stabilize our business model, maintain revenue streams for state and local governments and preserve our unique Alaskan-controlled marijuana industry.

HB 289 would convene a task force of knowledgeable Alaskans to analyze this problem, propose solutions, create models to see how these proposed changes would impact taxpayers, businesses and governmental entities, and offer their findings to the next Alaska legislature for action. Chaired by the head of the Marijuana Control Board, the task force will be composed of the heads of relevant state agencies, local government leaders, representatives of the marijuana industry, a public health representative and an economist from the University of Alaska. Members of the Alaska House and Senate will serve as ex-officio task force members.

This task force will meet over the 2022 interim, and make their recommendations for action to the Thirty-Third Alaska Legislature. I urge your support for HB 289.

[5:41:15 PM](#)

CHAIR COSTELLO opened public testimony on HB 289.

[5:41:35 PM](#) }

LACY WILCOX, President, Alaska Marijuana Industry Association (AMIA), Juneau, Alaska, stated enthusiastic support for HB 289. She said the excise tax on marijuana at the point of cultivation is destabilizing the industry. For example, the \$800 per pound excise tax in Alaska is the wholesale price of a pound of marijuana in Oregon. She said AMIA has been analyzing potential changes, but without access to tax experts and state data, it's been like shooting darts at the wall. She expressed hope that passage of HB 289 would result in robust, smart, and data-driven conversations between the industry, regulators, tax experts, municipal stakeholders, and the legislature.

She expressed appreciation that AMIA was named as a qualified industry representative. She acknowledged that AMIA doesn't represent the views of the entire industry, but pointed out that it is the only statewide trade group in the state, so the appointment was appropriate. AMIA's goal is to help identify a sustainable, enforceable, and fair tax structure that allows for growth and better compliance. She characterized the future of the industry in Alaska as bright.

[5:43:40 PM](#)

SENATOR GRAY-JACKSON asked what marijuana costs pound.

MS. WILCOX replied it's about \$3,400 and can be as low as \$2,800 for lower quality, \$800 of which goes to the excise tax.

[5:44:27 PM](#)

SAM HACHEY, Owner, Tanana Herb Company (THC), Fairbanks, Alaska, stated that as both a manufacturing and a retail operation, he appreciates the opportunity to provide information and hopefully find a solution to tax issues plaguing the industry. He looks forward to the federal legalization of marijuana and wants Alaska's tax structure to align with other states.

[5:45:14 PM](#)

SENATOR MICCICHE joined the meeting.

[5:45:26 PM](#)

TRAVOR HAYNES, representative, Good Cannabis, Fairbanks, Alaska, stated that Good Cannabis holds a retail, cultivation, and manufacturing license. He said he'd testified on the bill several times before, but the perspective he was offering today was about the economic viability of communities and the state. He relayed that he spoke to someone recently who had a pessimistic outlook about the Fairbanks economy. He recounted the reasons. After some thought, he realized that those reasons could be extrapolated to the entire state. He found this a little disconcerting because the cannabis industry is growing. It's a bright spot in the Alaska economy in a time when there aren't as many as there could be, he said.

MR. HAYNES said this highlights the importance of getting the tax structure for the industry right because it will literally make or break some cannabis businesses. He stressed that the task force has a great opportunity to help one bright spot in the Alaska economy.

[5:47:22 PM](#)

BRANDON EMMETT, representing self, Fairbanks, Alaska, stated that he is the owner/operator of a cannabis company called Good Titrations and is on the board of directors for the Alaska Marijuana Industry Association (AMIA). He described the bill as well written and inclusive of a broad range of stakeholders. He offered his perspective that the existing tax structure for marijuana needs to be adjusted. The price has dropped considerable since 2017 but the tax floor is immobile. He views this as poor policy for an agricultural product in an emerging market. HB 289 provides the structure to create a more equitable tax for the industry.

[5:48:45 PM](#)

SARAH OATES, representing self, Anchorage, Alaska, advised that she is the President and CEO of Alaska CHARR, but today she was speaking as an individual. She related that when she worked for the Alcohol and Marijuana Control Office in 2017, she was tasked with implementing the regulated marijuana industry. She said the tax structure that was implemented at the time is not working. She stressed that restructuring is essential to preserve a robust, legal, and regulated cannabis industry and to help small Alaska cannabis businesses succeed. HB 289 works to this end by authorizing a diverse group of stakeholders to meet and provide recommendations to the state on how to help the existing, highly regulated industry be successful. She urged passage of HB 289.

[5:50:13 PM](#)

CHAIR COSTELLO noted that Aaron Morse, CEO of Great Northern Cannabis was available to answer questions. She asked if he supported the legislation.

[5:50:25 PM](#)

AARON MORSE, CEO and Co-Owner, Great Northern Cannabis, Anchorage, Alaska, answered that GNC is a vertically integrated operation and he was speaking in support of HB 289.

[5:50:57 PM](#)

CHAIR COSTELLO closed public testimony on HB 289 and solicited the will of the committee.

[5:51:06 PM](#)

SENATOR MICCICHE stated strong support for HB 289. He summarized that there had been a good faith effort to follow the marijuana initiative, but the tax structure was fundamentally flawed, which was preventing businesses from succeeding. Thus it was appropriate to convene a task force to adjust the tax structure and get the industry back on track.

SENATOR GRAY-JACKSON stated support for convening the task force, but questioned why it couldn't meet in person

[5:52:07 PM](#)

REPRESENTATIVE HOPKINS answered that it was a policy call by the House Labor and Commerce Committee to save money. The committee worked with the Alcohol and Marijuana Control Office (AMCO), the board, and industry members and the meetings have been virtual for several years. He offered his understanding that AMCO has a conference room that could be available but that would add cost. He relayed that the six-month task force is paid for with designated general fund (DGF) dollars from industry licensing fees.

SENATOR GRAY-JACKSON clarified that she likes Zoom meetings as opposed to in-person, she was just curious.

[5:53:23 PM](#)

CHAIR COSTELLO asked if task forces must meet in person unless specifically authorized to meet virtually.

REPRESENTATIVE HOPKINS said he wasn't aware of any such limitation. The bill specifically provides for virtual meetings to save money.

CHAIR COSTELLO voiced support for subsection (f) on page 3, line 17 that specifically states the meetings may not take place in person.

SENATOR REVAK provided supportive quips about the bill, the task force, and the industry.

[5:54:35 PM](#)

SENATOR REVAK moved to report the committee substitute (CS) for HB 289, work order 32-LS1317\G, from committee with individual recommendations and attached fiscal note(s).

CHAIR COSTELLO found no objection, and CSHB 289(FIN) was reported from the Senate Labor and Commerce Standing Committee.

[5:54:56 PM](#)

At ease

HB 227-MUNI ENERGY IMPROVEMNT ASSESSMENT PROGRAM

[5:56:28 PM](#)

CHAIR COSTELLO reconvened the meeting and announced the consideration of HOUSE BILL NO. 227 "An Act relating to municipal energy and resilience improvement assessment programs; and providing for an effective date."

She noted that the Senate committee substitute (SCS) for HB 227, work order 32-LS1028\W, was before the committee and that Senator Micciche had an amendment.

[5:56:53 PM](#)

SENATOR MICCICHE moved to adopt Amendment 1, work order 32-LS1028\W.2.

32-LS1028\W.2
Dunmire
5/6/22

AMENDMENT 1

OFFERED IN THE SENATE
TO: SCS HB 227(L&C)

Page 1, line 1, following "programs;":

Insert "relating to the planning commission membership apportionment requirement for first and second class boroughs;":

****Sec. 29.40.020. Planning commission.**

- (a) Each first and second class borough shall establish a planning commission consisting of five residents unless a greater number is required by ordinance. [COMMISSION MEMBERSHIP SHALL BE APPORTIONED SO THAT THE NUMBER OF MEMBERS FROM HOME RULE AND FIRST CLASS CITIES REFLECTS THE PROPORTION OF BOROUGH POPULATION RESIDING IN HOME RULE AND FIRST CLASS CITIES LOCATED IN THE BOROUGH.] A member shall be appointed by the borough mayor for a term of three years subject to confirmation by the assembly, except that a member from a home rule or first class city shall be selected from a list of recommendations submitted by the council. Members first appointed shall draw lots for one, two, and three year terms. Appointments

to fill vacancies are for the unexpired term. The compensation and expenses of the planning commission and its staff are paid as directed by the assembly."

Renumber the following bill sections accordingly.

CHAIR COSTELLO objected for purposes of an explanation.

SENATOR MICCICHE explained that Amendment 1 would allow first and second class boroughs to divide into districts, similar to what's allowed for borough assembly seats, to make it easier for boroughs to fill seats on their planning commission. The amendment doesn't change how commissioners are selected or appointed; it simply allows the borough to divide into districts and provides more local control.

SENATOR COSTELLO removed her objection; she found no further objection and Amendment 1 was adopted. She asked the sponsor if he had any comment on the bill as currently amended.

[5:58:51 PM](#)

REPRESENTATIVE CALVIN SCHRAGE, Alaska State Legislature, Juneau, Alaska, sponsor of HB 227, thanked the committee for hearing the bill again. He expressed appreciation for the amendment and hope that the committee would support moving the bill forward.

[5:59:11 PM](#)

SENATOR REVAK moved to report the CS for HB 227(CRA) from committee with attached fiscal note.

[5:59:27 PM](#)

At ease

[5:59:47 PM](#)

CHAIR COSTELLO reconvened the meeting and recognized Senator Revak.

[5:59:51 PM](#)

SENATOR REVAK withdrew his previous motion.

[5:59:58 PM](#)

SENATOR REVAK moved to report the Senate committee substitute (SCS) for HB 227, work order 32-LS1028\W, as amended, from committee with individual recommendations and attached fiscal note(s).

CHAIR COSTELLO found no objection, and SCS HB 227(L&C) was reported from the Senate Labor and Commerce Standing Committee.

[6:00:26 PM](#)

At ease

HB 145-EXPAND PHARMACIST AUTHORITY

[6:02:18 PM](#)

CHAIR COSTELLO reconvened the meeting and announced the consideration of CS FOR HOUSE BILL NO. 145(HSS) "An Act relating to the Board of Pharmacy; relating to health care services provided by pharmacists and pharmacy technicians; and relating to the practice of pharmacy."

She noted that this was the first hearing and the intention was to hear the introduction, take public testimony, answer any questions, and look to the will of the committee.

[6:02:51 PM](#)

REPRESENTATIVE LIZ SNYDER, Alaska State Legislature, Juneau, Alaska, sponsor of HB 145, described HB 145 as a health care access bill that provides long overdue updates to the statutes governing the practice of pharmacy in Alaska so the profession is able to continue providing the services long associated with pharmacy. HB 145:

- defines patient care services that pharmacists and support staff are able to provide
- allows pharmacy technicians to administer vaccines and emergency medications under the direct supervision of a licensed pharmacist
- empowers the Board of pharmacy to regulate pharmacists, student pharmacists, and pharmacy support staff
- updates the statutes consistent with current practices and training
- updates the provider antidiscrimination statute to support insurance coverage of these patient care services when they are provided by a pharmacist

REPRESENTATIVE SNYDER clarified that HB 145 does not expand pharmacists' prescriptive authority. She highlighted the extensive support for the bill from pharmacists and health care organizations throughout the state.

[6:05:53 PM](#)

CHAIR COSTELLO asked Alliana Salanguit to walk through the sectional analysis for HB 145.

[6:06:01 PM](#)

ALLIANA SALANGUIT, Staff, Representative Liz Snyder, Alaska State Legislature, Juneau, Alaska, presented the sectional analysis for HB 145 on behalf of the sponsor. It read as follows:

Sec. 1: Adds language to AS 08.80.030(b) Powers and Duties of the Board, statute that outlines the Board of Pharmacy's powers, that allows the Board of Pharmacy to adopt rules to regulate the independent monitoring of drug therapy and independent pharmacist prescribing of vaccines and naloxone.

Sec. 2: Adds a new subsection to AS 08.80.045 Nonprescription Drugs that aligns statute with the current practice of pharmacists recommending non-prescription medications and devices for treating minor and self-limited conditions.

Sec. 3: Amends AS 08.80.155 Emergency Permit to increase the Board of Pharmacy's flexibility to grant emergency licenses for all relevant licenses used in pharmacies.

Sec. 4: Amends AS 08.80.168(a) Administration of Vaccines and Related Emergency Medications by adding "prescribe" to existing vaccine administration statute.

[6:07:10 PM](#)

MS. SALANGUIT continued the sectional analysis for HB 145.

Sec. 5: Amends AS 08.80.168(b) by replacing "dispense" with "prescribe and administer" in regards to administering an opioid overdose drug.

Sec. 6: Adds a new subsection to AS 08.80.168 that allows a pharmacy technician to administer a vaccine or related emergency medication but only if they have been authorized by the Board of Pharmacy to do so AND if they are under the direct supervision of a licensed pharmacist who meets the requirements in AS 08.80.168 (a).

Sec. 7: Adds language to AS 08.80.297(a) Prescription Prices Available to Consumer that allows personnel who are not licensed pharmacists to disclose the cost of filling a prescription when directed by a pharmacist working at the same institution.

[6:07:57 PM](#)

Sec. 8: Amends AS 08.080 Pharmacists and Pharmacies by adding a new section, AS 08.80.337 Other Patient Care Services, that:

- Allows a pharmacist to provide patient care services for a disease or condition with an existing diagnosis under an agreement made with and approved by a practitioner
- Limits patient care services that pharmacists can provide to those that are minor, self-limiting, and have a CLIA-waived laboratory test which guides clinical decision making.
- Provides language that allows pharmacists to be reimbursed for providing these services

Sec. 9: Amends AS 08.80.480 Definitions by removing "dosage form" as a definition of "equivalent drug product". This allows pharmacists to make minor, non-therapeutic changes to prescriptions using clinical judgement and expertise without contacting the prescriber for verbal or written approval. This does not allow a pharmacist to substitute a dosage form that would negatively impact patient outcomes, safety, or cost effectiveness. Examples of appropriate substitutions under this section include changing from a tablet form of medication to a capsule form of the same medication and strength.

[6:09:18 PM](#)

MS. SALANGUIT continued the sectional analysis for HB 145.

Sec. 10: Amends AS 08.80.480(30) by adding "dispensing" and "independent prescribing" to the definition of the "Practice of Pharmacy" to align with the changes made in Section 4 & 5 (AS 08.80.168) of this bill. These additions better represent actual provision of naloxone and vaccine by pharmacists.

Sec. 11: Amends AS 21.36.090(d) Unfair Discrimination to include "pharmacists" as protected health care

providers in the provider anti-discrimination statute. This aligns the state statute with federal statute (CFR 438.12) and afford pharmacists the same protection as all other healthcare providers when engaging health plans for covered services such as ordering laboratory tests, point-of-care testing, vaccine prescribing and administration, preventative health services, managing minor self-limiting conditions, and participating in collaborative disease state management.

Sec. 12: Amends AS 21.42 The Insurance Contract by adding language ensuring health insurance plans reimburse pharmacists for eligible health care services they provide.

CHAIR COSTELLO asked if there were questions.

[6:09:34 PM](#)

SENATOR MICCICHE asked for an explanation of "unfair discrimination" because it seems as though it's related to providers.

MS. SALANGUIT confirmed that the statute addresses unfair discrimination by providers; it lists all the health care providers with the exception of pharmacists.

SENATOR MICCICHE asked what that statute covered and how it was associated with pharmacists.

[6:10:24 PM](#)

REPRESENTATIVE SNYDER explained that Alaska statute and federal statute CFR 438.12 provide protections for other types of providers who deliver covered services. Pharmacists have federal protection and Section 11 of the bill extends that protection to pharmacists practicing in Alaska. She deferred further explanation to the chair of the Board of Pharmacy.

SENATOR MICCICHE requested Board of Pharmacy Chair Ruffridge describe the type of discrimination this protects against.

[6:11:37 PM](#)

JUSTIN RUFFRIDGE, Chair, State Board of Pharmacy, Soldotna, Alaska, explained that the change to the anti-discrimination statute allows pharmacists to bill for health care services through Medicare, Medicaid, and private insurance. Pharmacists often are unable to bill for certain testing and other limited

patient care services because they are not recognized as a provider. The amendment addresses this issue by specifically mentioning pharmacists in the anti-discrimination statute.

SENATOR MICCICHE expressed appreciation for the answer.

[6:13:08 PM](#)

CHAIR COSTELLO opened public testimony on HB 145.

[6:13:13 PM](#)

TOM WADSWORTH, representing self, Wasilla, Alaska, stated that he is a pharmacist licensed in Alaska and the administrator of UAA's ISU Doctor of Pharmacy program. He clarified that he was not representing the university. Rather, he was speaking as a practicing pharmacist and Doctor of Pharmacy educator in support of HB 145.

He conveyed that HB 145 represents two years of close collaboration between the Alaska Pharmacists Association, the Board of Pharmacy, and the School of Pharmacy. The updates are long overdue and more accurately reflect the contemporary practices of pharmacy and pharmacists. The public is aware of pharmacists working in retail settings such as Walmart or Safeway but 60 percent of pharmacists actually work in health systems, primary care systems, and tribal systems.

MR. WADSWORTH explained that a pharmacist is behind ever medication order and they also provide a variety of health care services unrelated to dispensing medication. This has been the case for over 30 years in Alaska, primarily in the VA system, tribal organizations, and private sector. He said this simply contemporizes the statute so the Board of Pharmacy is able to promulgate regulations around those practices.

He highlighted that the Doctor of Pharmacy program in Alaska was growing its own pharmacists. Over 40 pharmacists had graduated and they were all practicing in Alaska communities. He said they are competent health care providers who should be able to practice at the highest level of their education.

[6:15:53 PM](#)

LIV SWONGER, Doctor of Pharmacy Student, UAA/ISU Doctor of Pharmacy Program, Anchorage, Alaska, stated that she was a fourth year Doctor of Pharmacy student on the University of Alaska Anchorage campus, speaking in support of HB 145. She conveyed her belief that HB 145 will allow her to practice to the full extent of her education and training when she receives

her Doctor of Pharmacy degree next year. Provisions in HB 145 will increase accessibility for pharmacists to provide critical health care services such as independently monitoring drug therapies for high blood pressure and diabetes. Additionally, HB 145 will help give pharmacists the ability to prescribe and be reimbursed for the life-saving overdose reverse medication such as Naloxone. This will help combat Alaska's high overdose deaths involving opioids. Passage of HB 145 will also mitigate barriers to care by allowing people experiencing illness such as strep throat or influenza to access testing and treatment through community pharmacists. Finally, adding pharmacists to the insurance anti-discrimination statute will ensure the sustainability of and access to services that pharmacists can provide.

CHAIR COSTELLO asked Renee Robinson if she wanted to provide testimony on HB 145.

[6:18:35 PM](#)

RENEE ROBINSON, President, Alaska Pharmacists Association (APA), Anchorage, Alaska, stated that she was available for questions and had not prepared specific testimony, but as president of the Alaska Pharmacists Association she was supportive of the legislation. This has been a collaborative effort among stakeholders over the past two years, she said.

[6:19:00 PM](#)

CHAIR COSTELLO closed public testimony on HB 145.

[6:19:20 PM](#)

At ease

[6:19:43 PM](#)

CHAIR COSTELLO reconvened the meeting and solicited a motion.

[6:19:49 PM](#)

SENATOR REVAK moved to report the committee substitute (CS) for HB 145, work order 32-LS0720\B, from committee with individual recommendations and attached fiscal note(s).

CHAIR COSTELLO found no objection, and CSHB 145(HSS) was reported from the Senate Labor and Commerce Standing Committee.

[6:20:19 PM](#)

REPRESENTATIVE SNYDER thanked the committee.

[6:20:34 PM](#)

There being no further business to come before the committee, Chair Costello adjourned the Senate Labor and Commerce Standing Committee meeting at 6:20 p.m.