

HOUSE FINANCE COMMITTEE

May 3, 2024

9:08 a.m.

[9:08:45 AM](#)

CALL TO ORDER

Co-Chair Foster called the House Finance Committee meeting to order at 9:08 a.m.

MEMBERS PRESENT

Representative Bryce Edgmon, Co-Chair  
Representative Neal Foster, Co-Chair  
Representative DeLena Johnson, Co-Chair  
Representative Julie Coulombe  
Representative Mike Cronk  
Representative Alyse Galvin  
Representative Sara Hannan  
Representative Andy Josephson  
Representative Dan Ortiz  
Representative Will Stapp  
Representative Frank Tomaszewski

MEMBERS ABSENT

None

ALSO PRESENT

Representative Mike Prax, Sponsor; Kati Capozzi, President and CEO, Alaska Chamber of Commerce;

PRESENT VIA TELECONFERENCE

Vicky Byrd, CEO, Montana Nurses Association, Clancy, Montana; Chris Logan, Nurse, Advanced Practice Registered Nurses Alliance, Anchorage; Bruce Seeton, Self, Anchorage; Paige Spence, Director, Government Relations, Oregon Nurses Association; Jessica Sexton, Self, Anchorage; Nicole Livanos, National Council of State Boards of Nursing, Chicago, Illinois; Carrie Peluso, Chief Nursing Officer, Providence Alaska Medical Center, Anchorage; Shannon Davenport, Self, Alaska Nursing Association, Anchorage; Joleen Corlis, Self, Anchorage; Brandon Calcaterra, President, Labor's Local 341, Anchorage; Sergio Acuna,

Self, Anchorage; Donna Philips, Chair, Labor Council, Alaska Nurses Association, Girdwood; Marge Stoneking, Advocacy Director, AARP Alaska, Anchorage; James Dahl, Self, Anchorage; Jane Erickson, Self, Palmer.

SUMMARY

SB 187      APPROP: CAP; REAPPROP; SUPP

SB 187 was SCHEDULED but not HEARD.

HB 149      NURSING: LICENSURE; MULTISTATE COMPACT

HB 149 was HEARD and HELD for further consideration.

Co-Chair Foster reviewed the meeting agenda.

#hb149

HOUSE BILL NO. 149

"An Act relating to the licensure of nursing professionals; relating to a multistate nurse licensure compact; and providing for an effective date."

9:10:24 AM

REPRESENTATIVE MIKE PRAX, SPONSOR, relayed that he introduced the bill at the request of the Alaska Board of Nursing (ABN) who unanimously supported the multi-state Nurse Licensure Compact (NLC). He explained that the NLC allowed registered and licensed practical/vocational nurses to practice under one multistate license, with the privilege to practice in their home state and other NLC states without obtaining additional licenses. The requirements were more stringent than Alaska's and allowed nurses moving to the state to start working sooner. He believed that adoption of HB 149 would help alleviate the state's nursing shortage. He reported that the only change to the bill was in Section 6 that required the board to submit a report to the legislature if the requirements of the compact no longer met or exceeded Alaska's licensing requirements. He recommended proposing some amendments to clean up the conforming language, possibly including a sunset date, and require reporting from hospitals as to the

efficacy of the program. He pointed out that the the effective date would need to be updated to July 1, 2025.

Co-Chair Foster indicated that he would like to proceed to public testimony.

[9:15:25 AM](#)

Co-Chair Johnson remarked that all legislators had gotten requests from nurses asking them to help with speeding up licensure. She asked if there would be a database of out-of-state nurses participating in the compact in Alaska. Representative Prax deferred the answer to the Department of Commerce, Community and Economic Development (DCCED).

[9:16:44 AM](#)

Co-Chair Foster OPENED public testimony.

[9:17:30 AM](#)

KATI CAPOZZI, PRESIDENT AND CHIEF EXECUTIVE OFFICER, ALASKA CHAMBER OF COMMERCE, testified in support of HB 149. She relayed that the chamber supported the bill. She elaborated that the mission of the chamber was to promote a healthy business environment in the state. The chamber was the largest business organization in the state with over 700 members. The chamber had a formal policy position that supported joining the multi-state nurse compact. She elaborated that a poll conducted by the chamber showed 86 percent of Alaskans also supported joining the NLC. The NLC was an agreement between states that allowed nurses to work in any states that join the compact under a single license. Currently, 39 states had joined the compact. Joining the NLC would reduce delays in the licensure process which were known barriers to nurses wanting to work in Alaska. She noted that there were many active duty military members in the state with licensed nurse spouses. The compact would help them transition into the state's healthcare workforce.

[9:19:54 AM](#)

Representative Josephson asked if she was aware that only 22 percent of Alaska's licensed nurses responded to the survey and 40 percent of all respondents were out of state. Ms. Capozzi responded that she had just gotten the results of the survey and it had not been made public yet.

Representative Josephson deduced that he was referring to another survey and asked if she was aware of the data he cited. Ms. Capozzi answered in the negative.

Representative Ortiz asked how many people were surveyed in the poll Ms. Capozzi cited. Ms. Capozzi answered that 697 responded and that it was a public opinion survey.

Representative Stapp asked whether Alaska would have more nurses or less nurses if the bill was adopted. Ms. Capozzi responded that she thought the state would have more licensed nurses. Representative Stapp agreed. He asked if having more nurses was a good thing. Ms. Capozzi responded that it would be good.

[9:22:42 AM](#)

VICKY BYRD, CEO, MONTANA NURSES ASSOCIATION, CLANCY, MONTANA (via teleconference), did not support the compact. She explained that Montana had been in the compact since 2015 and there had been some significant unintended consequences. She related that public opinion made the license compact sound great. She shared some misperceptions. She emphasized that nurses with a multi-state license still had to obtain a new home state license. She elucidated that there were nurses in Montana who did not obtain a home state license. Some nurses practicing under another state's multi-state license expired leaving a couple of nurses that were working without a valid license. She stressed that there were many challenges with the compact that she was experiencing in Montana. The compact had not staffed the state's hospitals and a compact did not necessarily bring more nurses into a state. The nurse can choose what state she wanted to work in. Due to some nurses not obtaining their new home state license, Montana had unlicensed nurses practicing in the state. The employer can confirm that a nurse has a multi-state license, but the nurse was not abiding by the rules of the compact by not obtaining a home state license as well. She cautioned that home state licensing was a significant misunderstanding and NCL education regarding the compact was inadequate.

[9:25:53 AM](#)

Representative Stapp asked if the issue was unique to the compact or if it was a state regulatory issue. He relayed personal information regarding his multi-state real estate

license. Ms. Byrd responded that it was a compact issue. She explained that the compact mandated that a nurse must obtain a new home state license along with the multi-state compact license.

Representative Hannan asked if she was familiar with travel nurses. Ms. Byrd answered in the affirmative and thought that travel nurse companies were "laughing all the way to the bank" regarding the NCL. She indicated that before the compact, most travel nurse companies would purchase licenses in neighboring states and send nurses there. With the compact they only need to purchase a multi-state compact license therefore the business owners would make more money, but the savings was not passed along in nurses' salaries. Representative Hannan asked if she had seen a reduction in travel nurses in Montana due to the compact. Ms. Byrd responded that she would need to ask the health facilities for data. She emphasized that the compacts did not staff the hospital pre or post pandemic. Her facility was hiring the same number of traveling nurses. Representative Hannan asked if multi-state compact nurses were getting paid the same wages as resident nurses. Ms. Byrd replied that travel nurses employed through a travel agency were paid two to three times higher whether or not they have a multi-state compact license; they were still employed through the agency regardless of license type. Representative Hannan was asking about a multi-state compact nurse who was coming to work for a period of time. Ms. Byrd responded that the nurse would get paid the same as the resident nurses.

[9:32:04 AM](#)

Representative Ortiz asked if Alaska joined the compact agreement would it have any impact on reducing the number of travel nurses being utilized throughout the state. He wondered whether they were related to each other in any way. Ms. Byrd responded that in her opinion and experience the travel nurse utilization would remain the same or increase. The compact did not encourage more or less nurses to a state because the nurse still got to choose what state she moved to. She reiterated that the compact would not staff Alaska's hospitals. Representative Ortiz asked if Alaska joined the compact agreement, would it give Alaska nurses more ability to leave and practice in other states. Ms. Byrd replied that nurses would still have the choice to leave regardless of the compact; they could leave the state

just as easily as others could come into the state. She related that when a nurse left a state with a multi-state license and obtained another home state license, she would have to reapply and obtain her original home state license if she returned.

[9:35:12 AM](#)

Representative Galvin asked whether Ms. Byrd's conclusion that the compact would not fill vacancies in Alaska was based on data. Ms. Byrd answered that her conclusion was anecdotal. It had been her personal experience as a nurse in Montana for 35 years and in her association role for a decade that the compact was not staffing Montana's hospitals. She stressed that the number one issue remained staffing. Representative Galvin she asked if nurses left the state more during the winter months. Ms. Byrd responded that she did not have any data on the topic, but the compact would not affect whether people chose to go south for the winter.

[9:38:11 AM](#)

Co-Chair Johnson shared that Alaska had a high military population, which brought spouses seeking employment. She asked if she felt like the compact helped people who came to the state for a short period of time if a nurse did not want to change their home state license. Ms. Byrd responded that the military spouse nurse aspect was a small population. She shared that she had been an army nurse and relocation was known in ample time. Any licensing barriers could be dealt with by a state's board of nursing. She had not seen a significant issue or barrier that prevented military spouse nurses from getting licenses or work.

Co-Chair Foster noted that there were 17 more testifiers and he wanted to make sure people had the opportunity to testify.

Representative Josephson relayed that the state's nursing board reported that it was taking about 4 weeks to process a license. He asked if the timeframe sounded positive. Ms. Byrd responded that she was not aware of the process in Alaska, but the board could either speed up or delay the process. She deduced that four weeks did not sound bad and someone moving to the state could prepare before the move.

[9:42:13 AM](#)

CHRIS LOGAN, NURSE, ADVANCED PRACTICE REGISTERED NURSES ALLIANCE, ANCHORAGE (via teleconference), favored the legislation. She related that she was a nurse in Alaska for 24 years and worked in Anchorage and Homer. She currently worked as an advanced practice nurse in anesthesia. She represented 1,800 advanced practice nurses in the state and supported the passage of HB 149. She believed that the nursing shortage was a crisis. There were many avenues to increase the number of nurses and the legislation was just one of the avenues. It was imperative that the legislature take any action that could help increase the number of nurses in the state. She indicated that if a multi-state compact nurse became a permanent resident of another state, the nurse did need to obtain a home license. The multi-state license decreased the licensing burden. She referenced the survey cited by Representative Josephson and reported that it was conducted by the Board of Nursing and was available on its website. She relayed that 89 percent of the state's registered nurses were in favor of the compact and 85 percent of nurses in a union were in favor of the compact. She furthered that 48 states had adopted or had pending legislation. She elaborated that the compact license requirements included state and federal fingerprints and background checks and a 60 day primary state of residency license requirement. It required the nurse to accept a permanent position and obtain an Alaska compact license. She indicated that a military spoused did not have to obtain an Alaska license if she was working in the state for short time. She asked the committee to pass the bill.

[9:45:34 AM](#)

Representative Stapp thought her testimony clarified some facts and felt that it was important to have people who lived in Alaska testify. He shared that he had about 2 dozen registered nurses in Fort Wainwright who were not practicing nursing because they could not get certified in Alaska. He asked if she could articulate how important it would be for military nurses for the state to adopt the compact. Ms. Logan replied that it was difficult for her to answer the question. She could only offer anecdotal evidence. She deferred to the board.

Representative Cronk asked why anyone might oppose the bill.

Ms. Logan responded that she thought the unions believed that having more active nurses would drive down wages. However, she thought the argument was moot because the shortages were driving wage increases. Representative Cronk understood the unions would oppose the compact, but 85 percent of union nurses supported it. Ms. Logan responded in the affirmative.

[9:48:08 AM](#)

BRUCE SEETON, SELF, ANCHORAGE (via teleconference), spoke in opposition to the bill. He argued that the bill would be bad for nurses and bad for Alaskans. There were large corporate staffing pools and travelers would be paid more for nursing. He mentioned Artificial Intelligence (AI) and telehealth and he believed that nurses would be employed in other states. He maintained that the compact would not bring residents to the state. He voiced that he had been a nurse for over 20 years and worked with many travelling nurses. There were shortages in all the compact states. Many travelers did not get the same benefits as residents. He offered that the nursing programs in the state graduated 100 nurses each year. Nursed from Alaska that remain in state build community versus itinerant workers. He believed that the bill was disservice to the state. He pointed out that there were no compacts for other professions. He believed in local hires for local work. He concluded that if the state wanted to help nurses it should create a safe work environment.

[9:51:28 AM](#)

PAIGE SPENCE, DIRECTOR, GOVERNMENT RELATIONS, OREGON NURSES ASSOCIATION (via teleconference), testified in opposition to the bill. She offered that Oregon also did not have a nurse compact. She mentioned an FBI investigation in 2023 called "Operation Nightengale." The operation unearthed a scheme where schools in Florida were selling fraudulent nursing degrees. It resulted in people without nursing qualifications working throughout the country. She indicated that many states were currently still dealing with nurses practicing with fake diplomas. She related that due to rejecting the compact, all Oregon nurses had current and valid licenses through its board and swiftly identified

and took appropriate disciplinary action including removing licenses from the nurses practicing illegally. She believed that joining the compact would cause the state to lose the workforce data that helped the state plan for the future. She indicated that the compact was run by a private entity versus a government entity. The state of Oregon invested significantly in workforce development and retention. She deduced that the compact could hinder the important workforce analysis the state relied on.

[9:54:21 AM](#)

JESSICA SEXTON, SELF, ANCHORAGE (via teleconference), spoke in opposition to HB 149. She shared that she was a critical care nurse for 16 years. She elucidated that she had done all types of nursing including travelling nursing. She declared that the compact did not fix the nursing shortage. The problem with the shortage was that there was no work life balance, nurses did not feel safe causing them to exit the job due to the working conditions. The compact might bring in more travelers, which did not allow for investing in resident nurses. In addition, travelers undermined wages and union nurses and the home board lost the ability and resources to investigate the issues regarding nurses with multi-state licenses for infractions like drug diversion and nurses practicing with illegal licenses. She stated that a board needed to maintain the ability to investigate nurses upon licensure and pay for licensing fees. She believed that waiting a month to obtain a license that was properly investigated and vetted was a reasonable amount of time. She suggested that the board receive more resources to employ other means to expedite licensure and keep the community safe.

Co-Chair Foster reminded testifiers how to submit written testimony.

[9:58:26 AM](#)

NICOLE LIVANOS, NATIONAL COUNCIL OF STATE BOARDS OF NURSING, CHICAGO, ILLINOIS (via teleconference), relayed that she was online for questions only.

[9:58:49 AM](#)

CARRIE PELUSO, CHIEF NURSING OFFICER, PROVIDENCE ALASKA MEDICAL CENTER, ANCHORAGE (via teleconference), strongly

advocated for HB 149. She relayed that she had responsibility for all the Providence Health facilities in the state and worked as a nurse for 26 years in many areas of nursing. She believed that experienced nurses were needed to help and supervise newer caregivers. The state needed to attract nurses from all experienced levels and Alaska was at a disadvantage. She relayed that two nurses who were trying to relocate to Kodiak to work for Providence had both revoked their decision because licensing was taking months. She shared that nursing shortages were predicted to worsen in the state. The Providence human resources team shared that it took twice as long to get a license in Alaska than in other states. She declared that Alaska was being left behind by not joining the compact and that there were not enough nurses in the state to meet existing needs. The question was no longer if the state needed to attract new workers, but how the state attracted them. She believed that an answer was via the multi-state compact.

Co-Chair Foster wanted to finish public testimony and move to invited testimony during the afternoon meeting.

[10:01:55 AM](#)

SHANNON DAVENPORT, SELF, ALASKA NURSING ASSOCIATION, ANCHORAGE (via teleconference), testified in opposition to the legislation. She relayed that she was an operating room nurse and thought that there were many other ways to solve the problem. She believed that retention was a significant problem and instead of paying travelers three times the amount, the wages for current nurses should be increased. She advocated for educating youth about nursing careers. She shared that she was on the board of the Health Occupations Students of America (HOSA) that catered to 20 different high schools in the state; 350 students were interested in nursing and medicine. She felt that improving the nursing environment to prevent burnout would help with retention. She related that currently military spouse nurses could work under a temporary license in the state for 6 months. She concluded that the problem could be solved by working within the state and that resources could be utilized in the state without the involvement of an outside "third party who does not have the state's best interest at heart."

[10:04:37 AM](#)

JOLEEN CORLIS, SELF, ANCHORAGE (via teleconference), spoke in opposition to the bill. She related that she was a registered nurse in Alaska for 11 years and originally came to the state via a traveler's contract. She quickly received her Alaska license and did not find the process challenging. She voiced that currently, the nursing board completed thorough background checks prior to issuing Alaska licenses. She thought that nurses in the compact would not need to pay for an Alaska license. The health care system in Alaska was unique and an outside entity could not relate or understand the state's special needs. She felt that a compact might help Alaska healthcare corporations, but it would hurt the state's collective bargaining power. In addition, being a part of the compact had not shown to decrease nursing shortages or foster safe nursing environments. She advocated for safe staffing levels for nurses mandated through legislation.

[10:06:35 AM](#)

BRANDON CALCATERRA, PRESIDENT, LABOR'S LOCAL 341, ANCHORAGE (via teleconference), was in opposition to the bill. He shared that the union represented over 400 nurses at Alaska Regional Hospital. He emphasized state sovereignty and voiced that the state had the ability to make important healthcare decisions, but the compact would bar the state's ability to make substantial changes and would preclude the legislature from modifying the compact. The threats to public health and safety would be incurred and it jeopardized patient care. The compact depended on the diligence of other member states to report serious disparate actions by nurses and states had different violation classifications. There were concerns with staffing and statistics from Healthdata.gov showed that between 2020 and 2023, compact states had higher percentages of hospital stays and staffing shortages. In addition, the compact could encourage nurses to travel to other warmer climates during the Alaska winter. There were some real conversations to be had with fixing the issues and improve recruitment and retention, funding to increase the number of available seats in nursing programs, improving the administrative efficiency of the state's licensing process, and enacting legislation to assist with staffing, ratios, etc. He questioned the board's survey statistic that 85 percent of union nurses supported the contract and asked for the list of participants. He

wondered whether the nurses were aware of the details of the compact.

Representative Josephson cited the survey Mr. Calcaterra mentioned and asked if he was talking about the state official who used state resources to try to rally support for the bill. Mr. Calcaterra replied in the affirmative.

Representative Ortiz referenced a statement that the states that were part of the compact had higher rates of vacancies than those that did not. He asked if there was data to back the statement up. Mr. Calcaterra responded in the affirmative and added that the source was from the National Nurses United published in Healthdata.gov. He offered to send the information.

10:11:34 AM

Representative Coulombe cited testimony requesting workplace changes via legislation for things like staffing levels. She was confused because she thought the issues were things that the union addressed in contracts. Mr. Calcaterra answered that the union had bargaining sessions every three years or so, however staffing was considered a management right regarding running their operations. He relayed situations wherein nurses were being sent home during shifts due to low patient volume. However, the other nurses remaining on staff were often not able to take breaks because the acuity of patients or their condition changed. He believed that a legislative solution would be helpful. Representative Coulombe relayed that her daughter-in-law was a nurse, and she understood the issue. She thought it seemed like the union wanted the legislature to dictate the conditions, but she felt that it was an issue between the private contractor and the union to fix. Mr. Calcaterra responded that the unions were always trying to negotiate staffing ratios. He noted that other states were enacting staffing ratios.

Representative Galvin cited previous testifiers regarding concerns that passing the bill would lessen the ability of unions to negotiate issues. She asked if the bargaining power would be diminished by allowing the compact. Mr. Calcaterra replied that the unions had many concerns. He stressed that the nurses were the voice behind the provisions the unions negotiated. The nurses had the power to leverage the issues and the union tried to avoid labor

actions during negotiation, but if there was a time in which nurses were dealing with unsafe conditions and exercised their rights via a labor action bringing in dozens or hundreds of nurses from outside the state could negatively impact negotiations.

[10:16:14 AM](#)

Representative Hannan wondered how many states had nursing ratios in statute. Mr. Calcaterra responded that he did not have current information.

[10:16:40 AM](#)

SERGIO ACUNA, SELF, ANCHORAGE (via teleconference), testified in opposition to HB 149. He related that instead of letting a private organization extract money from the state, he suggested keeping money in the state by enforcing high standards. He recommended that the state invest in local funding for more nursing programs and make the licensing process more efficient. He disapproved of bringing in out-of-state nurses to compete with Alaska nurses. He urged the committee not to enact the legislation, which he felt would make it more difficult for resident nurses.

[10:18:58 AM](#)

DONNA PHILIPS, CHAIR, LABOR COUNCIL, ALASKA NURSES ASSOCIATION, GIRDWOOD (via teleconference), strongly opposed the legislation. She relayed that the Biden administration had passed legislation that enabled military spouse more portability with their nursing licenses. She pointed out that California instituted nurse patient ratios and Connecticut and Washington enacted staffing laws that strengthened the nurses' ability to speak out when the levels were unbalanced. Massachusetts adopted nurse staffing ratios for its intensive care units. In addition, Oregon passed legislation that spoke to nurse and patient ratios as well as nursing assistant ratios. She delineated that when a facility had to abide by nurse patient ratios, any prior ancillary help disappeared. She considered the Oregon law "groundbreaking legislation." She indicated that there were 22,000 nursing licenses in the state but only 10,000 had an Alaska address on file.

[10:22:04 AM](#)

MARGE STONEKING, ADVOCACY DIRECTOR, AARP ALASKA, ANCHORAGE (via teleconference), spoke in favor of the nurse licensure compact. She stated that Alaska had the highest growing senior population in Alaska but the need for healthcare workers was predicted to grow due to an aging workforce. She elucidated that nursing topped the list of the state's healthcare shortages. She believed that the shortage resulted in less access to care for Alaskans and longer wait times in hospitals and emergency rooms (ER) putting increased burdens on seniors and their care givers. She voiced that extreme nursing shortage increased overall healthcare costs. She did not think that the compact was a "silver bullet" to the problem but merely one solution to immediately bring more nurses to the state.

[10:23:53 AM](#)

JAMES DAHL, SELF, ANCHORAGE (via teleconference), was in opposition to the legislation. He shared that he knew a lot of people who worked in the medical field and had heard a lot of the same comments expressed during the hearing about the negative impacts of the NCL.

[10:25:04 AM](#)

JANE ERICKSON, SELF, PALMER (via teleconference), was in opposition to the bill. She indicated that she was the immediate past president of the nurses' association. She felt that the compact would not help with reducing the nursing shortage, which was nationwide. She deduced that the licensing fees would increase to compensate for loss in revenue by the out-of-state nurses that were exempt from the state's licensing fees. She disapproved of out-of-state nurses taking care of Alaska residents. She wondered what the ramifications would be if nurses left the state due to the compact making the shortage worse.

Representative Josephson acknowledged her past presidency of the nurses' association. He asked if the association knew of her position on the compact at the time of her election. Ms. Erickson answered in the affirmative. Representative Josephson commented that the association still voted her in as president.

[10:27:32 AM](#)

Co-Chair Foster CLOSED public testimony.

Representative Galvin commented that there were many prior amendments for the bill that were never heard in a prior committee. She asked if there could be a recap of the amendments.

Co-Chair Foster suggested that the sponsor work up a summary of the amendments.

Representative Coulombe pointed out that the amendments were not adopted. She believed that it would not be the best use of the committee's limited time.

Co-Chair Foster offered that he would open up committee discussions with the sponsor and the issues would be "hashed out" via the House Finance Committee's amendment process.

Representative Hannan thought there were some amendments that were never offered due to a time cut off. She noted that the sponsor suggested adding three amendments and she wanted to discuss the amendments.

Co-Chair Foster asked the committee members to work out the amendment issues with the sponsor.

HB 149 was HEARD and HELD for further consideration.

Co-Chair Foster reviewed the afternoon meeting.

#

ADJOURNMENT

10:31:41 AM

The meeting was adjourned at 10:31 a.m.