

**ALASKA STATE LEGISLATURE
HOUSE JUDICIARY STANDING COMMITTEE**

May 3, 2023

1:34 p.m.

MEMBERS PRESENT

Representative Sarah Vance, Chair
Representative Jamie Allard, Vice Chair
Representative Ben Carpenter
Representative Craig Johnson
Representative David Eastman
Representative Andrew Gray
Representative Cliff Groh

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

HOUSE BILL NO. 29

"An Act relating to insurance discrimination."

- MOVED CSHB 29(JUD) OUT OF COMMITTEE

HOUSE BILL NO. 129

"An Act relating to voter registration; and providing for an effective date."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 29

SHORT TITLE: INSURANCE DISCRIMINATION

SPONSOR(S): REPRESENTATIVE(S) MCCABE

01/19/23	(H)	PREFILE RELEASED 1/9/23
01/19/23	(H)	READ THE FIRST TIME - REFERRALS
01/19/23	(H)	L&C, JUD
02/10/23	(H)	L&C AT 3:15 PM BARNES 124
02/10/23	(H)	Heard & Held
02/10/23	(H)	MINUTE(L&C)
02/17/23	(H)	L&C AT 3:15 PM BARNES 124
02/17/23	(H)	Heard & Held
02/17/23	(H)	MINUTE(L&C)

03/03/23 (H) L&C AT 3:15 PM BARNES 124
03/03/23 (H) <Bill Hearing Canceled>
03/06/23 (H) L&C AT 3:15 PM BARNES 124
03/06/23 (H) Moved CSHB 29(L&C) Out of Committee
03/06/23 (H) MINUTE(L&C)
03/08/23 (H) L&C RPT CS(L&C) 1DP 1DNP 5NR
03/08/23 (H) DP: CARRICK
03/08/23 (H) DNP: FIELDS
03/08/23 (H) NR: PRAX, WRIGHT, SADDLER, RUFFRIDGE,
SUMNER
04/28/23 (H) JUD AT 1:00 PM GRUENBERG 120
04/28/23 (H) Heard & Held
04/28/23 (H) MINUTE(JUD)
05/03/23 (H) JUD AT 1:00 PM GRUENBERG 120

BILL: HB 129

SHORT TITLE: VOTER REGISTRATION

SPONSOR(s): JUDICIARY

03/22/23 (H) READ THE FIRST TIME - REFERRALS
03/22/23 (H) STA, JUD
03/28/23 (H) STA AT 3:00 PM GRUENBERG 120
03/28/23 (H) Scheduled but Not Heard
03/30/23 (H) STA AT 3:00 PM GRUENBERG 120
03/30/23 (H) Heard & Held
03/30/23 (H) MINUTE(STA)
04/27/23 (H) STA AT 3:00 PM GRUENBERG 120
04/27/23 (H) Moved CSHB 129(STA) Out of Committee
04/27/23 (H) MINUTE(STA)
04/28/23 (H) STA RPT CS(STA) 5DP 2AM
04/28/23 (H) DP: CARPENTER, C.JOHNSON, ALLARD,
WRIGHT, SHAW
04/28/23 (H) AM: ARMSTRONG, STORY
05/01/23 (H) JUD AT 1:00 PM GRUENBERG 120
05/01/23 (H) Heard & Held
05/01/23 (H) MINUTE(JUD)
05/03/23 (H) JUD AT 1:00 PM GRUENBERG 120

WITNESS REGISTER

REPRESENTATIVE KEVIN MCCABE

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: As prime sponsor, offered introductory remarks and answered questions on CSHB 29(L&C).

BUDDY WHITT, Staff

Representative Kevin McCabe
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on CSHB 29(L&C) on behalf of Representative McCabe, prime sponsor.

LORI WING-HEIER, Director
Division of Insurance
Department of Commerce, Community & Economic Development
Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on CSHB 29(L&C)

JAKE ALMEIDA, Staff
Representative Sarah Vance
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Offered information on CSHB 129(STA) on behalf of the House Judiciary Standing Committee, sponsor by request, chaired by Representative Vance.

CAROL BEECHER, Director
Division of Elections
Office of the Lieutenant Governor
Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on CSHB 129(STA).

LORI WILSON, Regional Supervisor
Division of Elections
Office of the Lieutenant Governor
Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on CSHB 129(STA).

ACTION NARRATIVE

[1:34:07 PM](#)

CHAIR SARAH VANCE called the House Judiciary Standing Committee meeting to order at 1:34 p.m. Representatives Carpenter, Eastman, Gray, Allard, and Vance were present at the call to order. Representatives C. Johnson and Groh arrived as the meeting was in progress.

HB 29-INSURANCE DISCRIMINATION

[1:34:53 PM](#)

CHAIR VANCE announced that the first order of business would be HOUSE BILL NO. 29, "An Act relating to insurance discrimination." [Before the committee was CSHB 29(L&C).]

CHAIR VANCE opened public testimony on CSHB 29(L&C). After ascertaining that no one wished to testify, she closed public testimony.

[1:35:38 PM](#)

REPRESENTATIVE KEVIN MCCABE, Alaska State Legislature, prime sponsor of CSHB 29(L&C), offered a brief summary of the legislation. He said the bill sought to prohibit insurance companies from discriminating solely on the basis of a person's status as an elected official.

[1:37:20 PM](#)

REPRESENTATIVE C. JOHNSON moved to adopt Amendment 1 to CSHB 29(L&C), labeled 33-LS0272\S.1, Wallace, 4/29/23, which read:

Page 1, line 1:

Delete "**relating to insurance discrimination**"

Insert "**prohibiting certain insurance decisions based solely on a person's political party or a person's status as an elected official**"

Page 1, line 4:

Delete "**Discrimination**"

Insert "**Decisions**"

REPRESENTATIVE EASTMAN objected.

[1:37:25 PM](#)

REPRESENTATIVE C. JOHNSON explained that Amendment 1 proposed a title change to avoid ambiguity. The new title would read "prohibiting certain insurance decisions based solely on a person's political party or a person's status as an elected official".

REPRESENTATIVE EASTMAN removed his objection. There being no further objection, Amendment 1 was adopted.

[1:38:27 PM](#)

REPRESENTATIVE EASTMAN moved to adopt Amendment 2 to CSHB 29(L&C), labeled 33-LS0272\S.3, Wallace, 5/2/23, which read:

Page 1, line 6, following "party":
Insert ", a person's political view,"

Page 2, line 7, following "AS 15.80.010":
Insert "
(3) "political view" means a position that
a state or national political party takes in support
of or in opposition to an issue"

REPRESENTATIVE CARPENTER objected for the purpose of discussion.

[1:38:34 PM](#)

REPRESENTATIVE EASTMAN explained that Amendment 2 would prohibit discrimination based on a person's political view in addition to political party.

REPRESENTATIVE C. JOHNSON asked for the bill sponsor's input on Amendment 2.

REPRESENTATIVE MCCABE said he was neutral on Amendment 2, as it would not be harmful to the bill's objective.

REPRESENTATIVE CARPENTER questioned the aptness of the word "position" in the definition of "political view" on lines 6-7 of Amendment 2 based on his misinterpretation of how the term was used.

[1:41:22 PM](#)

REPRESENTATIVE GRAY expressed concern about the broadness of "political view," and questioned whether it would apply to an individual who believes in overthrowing the government, which could leave the insurance company vulnerable to lawsuits.

CHAIR VANCE asked how a person's political view was defensible. She pointed out that political party and elected status were easily defined and proven, whereas political view was ambiguous.

REPRESENTATIVE EASTMAN clarified that the word "position" on line 6 referred to a person's view - not a job or nomination. In response to Representative Gray, he acknowledged that some political views, such as anarchism, might be considered illegal;

however, he said there was no intent of protecting illegal behavior. In terms of the mechanism for proof, he suggested that it would be the same as demonstrating discrimination based on political party.

REPRESENTATIVE MCCABE pointed out that a person's political view could be changed tomorrow. He believed that the addition of "political view" could make the bill overly broad.

[1:47:37 PM](#)

BUDDY WHITT, Staff, Representative Kevin McCabe, Alaska State Legislature, suggested that Ms. Wing-Heier could provide insight on how insurance companies might look at the additional provision.

[1:48:20 PM](#)

LORI WING-HEIER, Director, Division of Insurance, Department of Commerce, Community & Economic Development (DCCED), agreed that the language was broad and may cause insurance companies concern, as a person's political view could be changed on a daily basis. In response to a previous question from Representative Gray regarding legal fees, she noted that repeated claims would lead to policy cancellation.

CHAIR VANCE asked whether [Amendment 2] involved freedom of speech rather than discrimination.

MS. WING-HEIER answered yes.

[1:49:35 PM](#)

REPRESENTATIVE CARPENTER asked whether the maker of Amendment 2 equated "political view" to a person's political expression.

REPRESENTATIVE EASTMAN answered no, the term was not focused on political expression. He said his intention was that "political view" would be limited to a person's belief or opinion on a political issue.

REPRESENTATIVE CARPENTER was unsure how to empower any organization to understand a person's thoughts. He pointed out that the only way an insurance company would know a person's view was if that person expressed it, either by word or affiliation. He highlighted the language on page 1, line 6 of the bill, which had already captured political expression.

REPRESENTATIVE GRAY pointed out that a person's party affiliation could also be changed on the spur of the moment.

REPRESENTATIVE ALLARD shared her belief that the conversation was straying from the bill's intent, which was to protect politicians and elected officials. For that reason, she stated her opposition to Amendment 2.

[1:53:44 PM](#)

REPRESENTATIVE CARPENTER asked how Amendment 2 would impact insurance companies and the type of insurance they offer.

MS. WING-HEIER affirmed that the Division of Insurance could enforce the proposed legislation; however, she could not make an insurance company remain in Alaska or offer a certain type of insurance. Further, she declined to predict how insurance companies may respond.

[1:55:01 PM](#)

REPRESENTATIVE MCCABE asked whether the maker of Amendment 2 envisioned the definition of "political view" applying to areas of Alaska Statutes outside of Title 21.

REPRESENTATIVE EASTMAN agreed that the issue [of belief versus expression] was complicated and referenced the censorship of a Montana legislator. In response to the bill sponsor, he said his intent was to focus on the particular statute at hand. He acknowledged that including political view may be "messy" and suggested limiting the scope of the bill to elected officials only.

[1:58:55 PM](#)

REPRESENTATIVE EASTMAN withdrew Amendment 2 with the suggestion that "political party" be removed from the bill as well.

[1:59:16 PM](#)

REPRESENTATIVE EASTMAN moved to adopt Amendment 3 to CSHB 29(L&C), labeled 33-LS0272\S.4, Wallace, 5/2/23, which read:

Page 1, lines 5 - 6:

Delete "A person transacting insurance in this state may not, solely because of a person's political party or a person's status as an elected official,"

Insert "If a person transacting insurance in this state makes a policy decision solely because of a person's political party or a person's status as an elected official, or if a policy holder suspects that a policy decision was made solely because of the person's political party or the person's status as an elected official, the person transacting insurance must provide documentation to the policy holder identifying the factor or combination of factors that were used in making a policy decision to"

Page 1, line 13, through page 2, line 2:
Delete all material.

Reletter the following subsection accordingly.

REPRESENTATIVE C. JOHNSON objected.

[1:59:21 PM](#)

REPRESENTATIVE EASTMAN explained that Amendment 3 would require insurance companies accused of discrimination based on political party or status as an elected official to provide documentation to the policy holder identifying the factors used in making the policy decision.

REPRESENTATIVE GRAY observed the unlikelihood of insurance companies providing, in writing, documentation of discrimination.

[2:02:16 PM](#)

REPRESENTATIVE MCCABE stated his opposition to Amendment 3, as it would complicate current practices. He asked Mr. Whitt to expound on those practices.

[2:02:48 PM](#)

MR. WHITT noted his appreciation for the proposed amendment, which addressed a mechanism for proof of denial. He read a statement from the Division of Insurance's website regarding policy rights, indicating that upon the denial of an initial application, the insurer must inform the applicant that he/she has the right to know why. The applicant can then submit a

written request for further information. He directed attention to page 1, lines 11-12 of Amendment 3, and asked why the maker of the amendment sought to delete page 1, line 13, through page 2, line 2 of the bill, which offered a carveout to insurance companies that allowed them to deny a policy based on standard underwriting or actuarial principles.

REPRESENTATIVE EASTMAN stated that Amendment 3 deleted the language in question because it would no longer be relevant should the amendment pass. He indicated that the proposed amendment wouldn't prohibit discrimination [based on political party or one's status as an elected official], it would simply require them to be transparent when doing so.

[2:07:54 PM](#)

A roll call vote was taken. Representatives Eastman voted in favor of Amendment 3 to CSHB 29(L&C). Representatives Carpenter C. Johnson, Gray, Groh, Allard, and Vance voted against it. Therefore, Amendment 3 failed by a vote of 1-6.

CHAIR VANCE sought final comment on CSHB 29(L&C), as amended.

[2:09:00 PM](#)

REPRESENTATIVE EASTMAN opined that the bill would not work as intended, adding that he viewed it as a counterintuitive and counterproductive way of solving the issue.

[2:10:06 PM](#)

REPRESENTATIVE ALLARD moved to report CSHB 29(L&C), as amended, out of committee with individual recommendations and the accompanying fiscal notes.

REPRESENTATIVE EASTMAN objected.

[2:10:28 PM](#)

A roll call vote was taken. Representatives Groh, Allard, Carpenter, C. Johnson, Gray, and Vance voted in favor of reporting CSHB 29(L&C), as amended, out of committee. Representative Eastman voted against it. Therefore, CSHB 29(JUD) was reported out of the House Judiciary Standing Committee by a vote of 6-1.

[2:12:05 PM](#)

The committee took an at-ease from 2:12 p.m. to 2:16 p.m.

HB 129-VOTER REGISTRATION

[2:16:16 PM](#)

CHAIR VANCE announced that the final order of business would be HOUSE BILL NO. 129, "An Act relating to voter registration; and providing for an effective date." [Before the committee was CSHB 129(STA).]

[2:16:44 PM](#)

JAKE ALMEIDA, Staff, Representative Sarah Vance, Alaska State Legislature, on behalf of the House Judiciary Standing Committee, sponsor by request, referred to a document illustrating the two-form process that was part of the list maintenance process. He asked Ms. Beecher to expound on the two mailers that were sent out to voters who had failed to vote in the last two general elections.

[2:17:45 PM](#)

CAROL BEECHER, Director, Division of Elections (DOE), Office of the Lieutenant Governor, described the two mailers.

[2:18:38 PM](#)

REPRESENTATIVE GRAY asked how many of each mailer, identified as C17A and C17B, were sent out each year.

MS. BEECHER did not know the answer. She offered to follow up with the requested information.

[2:19:17 PM](#)

REPRESENTATIVE GROH sought clarification on the procedure that triggered the mailers.

MS. BEECHER explained that after reviewing the voter registration list each year, the first nonforwardable mailer was sent out to individuals requesting address confirmation or correction. The division would then send the second forwardable notice to voters whose mail had been returned, or who failed to vote or contact the division in the past two years. The second

notice informed voters that their registration would be inactivated within 45 days if no response was received.

[2:20:56 PM](#)

REPRESENTATIVE GROH sought to confirm that the mailers were only sent out to people that had not met the "screening criteria." In other words, a person who voted in every election would not receive them.

MS. BEECHER confirmed that Representative Groh was correct.

[2:21:19 PM](#)

REPRESENTATIVE EASTMAN asked whether any additional cost was associated with including "forwarding service requested," as opposed to "return service requested" on the mailer.

MS. BEECHER offered to follow up with the requested information.

[2:21:47 PM](#)

REPRESENTATIVE GRAY sought to confirm that should the bill pass, the mailer identified as C17A would no longer be used.

MR. ALMEIDA confirmed that Representative Gray was correct.

REPRESENTATIVE GRAY asked whether changing to a one-step process would be a cost-saving measure.

MS. BEECHER answered yes. She anticipated that the division would save money by sending one notice, as opposed to two. She reported that in 2022, DOE mailed 39,779 notices.

REPRESENTATIVE GRAY asked whether that figure represented a combined total of both notices.

MS. BEECHER clarified that 39,779 reflected the first mailed notice. In January 2023, the division followed up by sending 15,094 of the second mailed notice.

[2:23:59 PM](#)

REPRESENTATIVE GRAY estimated that about 24,000 people responded to the first mailed notice indicating that they wanted to remain on the voter registration list. He asked whether that was accurate.

MS. BEECHER answered yes.

CHAIR VANCE asked whether responding to the mailed notice was the only way to cancel a voter's registration in the state of Alaska.

MS. BEECHER answered no, voters could cancel their registration by phone, mail, or email, in addition to the mailed notice.

[2:24:56 PM](#)

REPRESENTATIVE EASTMAN asked whether an individual was required to provide his/her Social Security number or some other form of identification when cancelling a voter registration.

MS. BEECHER directed the question to Ms. Wilson.

[2:25:31 PM](#)

LORI WILSON, Regional Supervisor, Division of Elections (DOE), Office of the Lieutenant Governor, stated that individuals were asked to confirm their identity by providing multiple identifiers on their record when cancelling their voter registration.

[2:26:56 PM](#)

REPRESENTATIVE GRAY questioned the difference between cancelling a voter's registration and inactivating a voter's status on the voter registration list.

MS. WILSON explained that an "active status" and condition code identified voters that were actively participating in elections. Alternatively, "inactive status" reflected inactivity on the voter's behalf, which was sometimes triggered by a death, a move out of state, or a felony conviction involving moral turpitude. She added that inactive voters remained in the system for a certain timeframe; however, they did not appear on the precinct registers at the polling places.

[2:29:32 PM](#)

REPRESENTATIVE GRAY sought to confirm that there was no difference between cancelling a voter's registration and inactivating a voter's status on the voter registration list.

MS. WILSON confirmed that a voter who cancels his/her registration would be moved to "inactive status" and would remain in the system for a certain amount of time.

[2:30:03 PM](#)

CHAIR VANCE asked how long that period of time was.

MS. WILSON said until the end of the list maintenance period unless the voter reactivated the registration by contacting the division before that time.

REPRESENTATIVE GRAY said he was surprised that a deceased person would remain on the register for as long as a year.

MS. BEECHER clarified that a deceased person would be removed from the voter registration list once the death was confirmed.

[2:32:14 PM](#)

REPRESENTATIVE ALLARD asked how the division was notified of a death.

MS. BEECHER said deaths were reported in a multitude of ways, including family, the Electronic Registration Information Center (ERIC) system, obituaries, and [Health Analytics and Vital Records].

REPRESENTATIVE ALLARD asked whether the division was updated on a daily basis.

MS. BEECHER indicated that the division checked the obituaries on a weekly basis; vital statistics were checked on a monthly basis; and ERIC offered quarterly reports.

[2:33:54 PM](#)

REPRESENTATIVE ALLARD characterized monthly updates as "alarming" and expressed an interest in tightening up the process. She requested a list of deceased voters who had been removed from the voter rolls from January 2023 to present.

CHAIR VANCE pointed out that the bill sought to provide more tools to aid the division in this process.

[2:35:17 PM](#)

REPRESENTATIVE EASTMAN asked how long it took the division to place a deceased person on inactive status.

MS. WILSON clarified that death notices were processed by the division daily. She expounded on the process of confirming a death via obituary, explaining that the condition code was changed from "active" to "inactive deceased" immediately.

REPRESENTATIVE EASTMAN asked whether the division took note of people who enter custody.

MS. WILSON relayed that DOE received notice from the courts, in addition to the Department of Corrections (DOC), when individuals were convicted of crimes involving moral turpitude.

REPRESENTATIVE EASTMAN asked how the division would become aware of convictions in an out-of-state court.

MS. WILSON offered to follow up with the requested information.

CHAIR VANCE asked how the division distinguished voters who were ineligible to vote in state elections on the voter registration list.

MS. WILSON explained that permanent [inactive] overseas voters were flagged in the system as "IOS," indicating that they could only participate in federal races.

CHAIR VANCE asked whether those individuals were registered on a separate list.

MS. WILSON said everyone was registered in the same database. Voters with the "IOS" status and position code only received the federal ballot forms and envelopes, she added.

CHAIR VANCE recalled the DOE data breach that impacted 113,000 Alaskans. She asked what the division had done to ensure that a bad actor was not voting with the stolen identifiers.

MS. BEECHER sought clarity on the question.

CHAIR VANCE asked whether hacked information could be used to impersonate an Alaskan by requesting a ballot or a change of address.

MS. BEECHER offered to follow up with the requested information.

[2:45:38 PM](#)

REPRESENTATIVE C. JOHNSON asked whether 20 ballots from the same address would flag the system.

MS. BEECHER deferred to Ms. Wilson.

MS. WILSON answered yes, it would initiate further investigation.

REPRESENTATIVE C. JOHNSON asked whether signature verification was required for the cancellation notice.

MS. WILSON said there was no signature verification process in statute; nonetheless, she pointed out that the mailers included an obscure voter number and name, which could be compared to the voter's identifiers and signature if needed.

REPRESENTATIVE C. JOHNSON asked Ms. Wilson to describe the obscure voter number.

MS. WILSON described it as voter number that was not clearly visible.

REPRESENTATIVE C. JOHNSON sought to confirm that each mailed notice included an obscure voter number, similar to a watermark, which was used to identify the voter.

MS. WILSON explained that each mailer was addressed to the voter and included a unique barcode. Additionally, the obscure voter number could be added, which was unique to the division.

REPRESENTATIVE C. JOHNSON sought to verify that each barcode contained the voter's number, birthday, Social Security number, and driver's license number.

MS. WILSON answered no. She clarified that the barcode was used as an identifier to pull up the voter's information. She stressed that the barcodes did not hold any personal information.

[2:50:37 PM](#)

REPRESENTATIVE C. JOHNSON asked whether the identifiers obtained in the data breach could be used by a hacker to request a change of address.

MS. WILSON clarified that the mailers were sent to the address on file - not a random person's house. She acknowledged that the division was incapable of stopping a person from stealing someone's mail.

REPRESENTATIVE C. JOHNSON asked whether there were protections in place to stop a bad actor from requesting a change of address.

MS. WILSON explained that multiple identifiers would be required to change a mailing address.

[2:53:31 PM](#)

REPRESENTATIVE C. JOHNSON asked for verification that the identifiers included Social Security number, birthdate, and driver's license number, adding that the hackers would have obtained all three.

MS. WILSON listed the identifiers contained in the voter registration as follows: voter number, last four digits of the Social Security number, date of birth, and Alaska driver's license number or state identification (ID) number.

CHAIR VANCE asked which signatures were deemed acceptable under statute if there was no voter signature verification process.

MS. WILSON said images of each voter's signature from past forms, such as the voter registration form, were collected and kept on record.

MS. BEECHER stated that AS 15.07.060 required the applicant's signature, which could be represented by a "mark." She indicated that not every signature was necessarily available.

CHAIR VANCE expressed concern that bad actors could replicate such marks.

[2:56:34 PM](#)

REPRESENTATIVE GRAY pointed out that if a bad actor was using that information to register to vote or to change an address, individuals would realize at the polls that someone had already voted for them. He asked whether such instances had occurred since the data breach.

MS. BEECHER said there was no indication that the breached data had been used to vote for nefarious purposes. She indicated that the system had undergone a "hardening" for the purposes of security.

[2:58:17 PM](#)

CHAIR VANCE asked how many of the 113,000 Alaskans impacted by the data breach were on inactive status at the time.

MS. BEECHER offered to follow up with the requested information.

REPRESENTATIVE C. JOHNSON asked whether the division could track the inactive voters who reactivated their status by voting.

MS. BEECHER offered to follow up with the requested information.

[3:00:03 PM](#)

CHAIR VANCE emphasized that DOE had been following statute; however, she stated that Alaska's election statutes lacked thoroughness. She said the bill sought to provide more clarity in statute.

CHAIR VANCE announced that the CSHB 129(STA) was held over.

[3:01:11 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Judiciary Standing Committee meeting was adjourned at 3:01 p.m.