

**ALASKA STATE LEGISLATURE  
HOUSE JUDICIARY STANDING COMMITTEE**

March 13, 2024

1:04 p.m.

**MEMBERS PRESENT**

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

**MEMBERS ABSENT**

All members present

**COMMITTEE CALENDAR**

HOUSE BILL NO. 358

"An Act relating to use of artificial intelligence to create or alter a representation of the voice or likeness of an individual."

- HEARD & HELD

HOUSE BILL NO. 254

"An Act relating to liability for publishing or distributing pornography to minors on the Internet."

- HEARD & HELD

HOUSE BILL NO. 278

"An Act establishing the administrative regulation review division."

- HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: HB 358

SHORT TITLE: PROHIBIT AI-ALTERED REPRESENTATIONS

SPONSOR(S): REPRESENTATIVE(S) CRONK

02/20/24            (H)            READ THE FIRST TIME - REFERRALS

02/20/24 (H) JUD  
03/13/24 (H) JUD AT 1:00 PM GRUENBERG 120

BILL: HB 254

SHORT TITLE: PROHIBIT PORNOGRAPHY TO MINORS

SPONSOR(s): REPRESENTATIVE(s) VANCE

01/16/24 (H) PREFILE RELEASED 1/12/24  
01/16/24 (H) READ THE FIRST TIME - REFERRALS  
01/16/24 (H) L&C, JUD  
01/31/24 (H) L&C AT 3:15 PM BARNES 124  
01/31/24 (H) Heard & Held  
01/31/24 (H) MINUTE(L&C)  
03/06/24 (H) L&C AT 3:15 PM BARNES 124  
03/06/24 (H) Heard & Held  
03/06/24 (H) MINUTE(L&C)  
03/11/24 (H) L&C AT 3:15 PM BARNES 124  
03/11/24 (H) Moved HB 254 Out of Committee  
03/11/24 (H) MINUTE(L&C)  
03/13/24 (H) JUD AT 1:00 PM GRUENBERG 120

BILL: HB 278

SHORT TITLE: ADMIN. REGULATION REVIEW DIVISION

SPONSOR(s): WAYS & MEANS

01/18/24 (H) READ THE FIRST TIME - REFERRALS  
01/18/24 (H) JUD, STA, FIN  
03/13/24 (H) JUD AT 1:00 PM GRUENBERG 120

**WITNESS REGISTER**

REPRESENTATIVE MIKE CRONK  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Presented HB 358, as the prime sponsor.

DAVE STANCLIFF, Staff  
Representative Mike Cronk  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Presented the sectional analysis for HB 358, on behalf of Representative Cronk, prime sponsor.

BOB BALLINGER, Staff  
Representative Sarah Vance  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Answered questions during the hearing on HB 254, on behalf of Representative Vance, prime sponsor.

RICHARD DARR, Executive Director  
National Decency Coalition  
Nashville, Tennessee

**POSITION STATEMENT:** Gave invited testimony during the hearing on HB 254.

REPRESENTATIVE BEN CARPENTER  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Presented HB 278, on behalf of the House Special Committee on Ways and Means, sponsor by request, chaired by Representative Carpenter.

KENDRA BROUSSARD, Staff  
Representative Ben Carpenter  
Alaska state Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Presented the sectional analysis for HB 278, on behalf of the House Special Committee on Ways and Means, sponsor by request, chaired by Representative Carpenter.

#### **ACTION NARRATIVE**

[1:04:15 PM](#)

**CHARI VANCE** called the House Judiciary Standing Committee meeting to order at 1:04 p.m. Representatives Carpenter, Sumner, Gray, Groh, Allard, and Vance were present at the call to order. Representative C. Johnson arrived as the meeting was in progress.

#### **HB 358-PROHIBIT AI-ALTERED REPRESENTATIONS**

[1:05:13 PM](#)

CHAIR VANCE announced that the first order of business would be HOUSE BILL NO. 358, "An Act relating to use of artificial intelligence to create or alter a representation of the voice or likeness of an individual."

[1:05:31 PM](#)

REPRESENTATIVE MIKE CRONK, Alaska State Legislature, prime sponsor, presented HB 358. He shared the sponsor statement

[included in the committee packet], which read as follows [original punctuation provided]:

In this high-tech world Artificial Intelligence has become a lightning rod for debate. HB - 358 is written as simply as possible to address the use of AI to create false identities and cause harm. Literally everything we see and hear now can be called into question. Is it real, is it genuine, or is it AI created or enhanced. Your voice, your image will only be yours and safe from harm if safeguards are put into place.

[1:06:20 PM](#)

DAVE STANCLIFF, Staff, Representative Mike Cronk, Alaska State Legislature, on behalf of Representative Cronk, prime sponsor of HB 358, presented the sectional analysis [included in the committee packet], which read as follows [original punctuation provided]:

Section 1. AS 45.50 is amended adding a new section.

Article 6A. Use of Artificial Intelligence to Represent an Individual.

Sec. 45.50.860 Unauthorized representation of voice or likeness.

- Restrictions in the use of AI to create or alter a person's voice or likeness.
- Sets the standard in the restriction of "Intent to cause harm."
- Defines:
  1. "Artificial Intelligence"
  2. Individual"
  3. "Likeness representation"

[1:08:37 PM](#)

MR. STANCLIFF shared several examples of AI generated impersonations of elected officials. One example involved an impersonation of President Biden and impacted 25,000 people. He said the proposed legislation would convey that the legislature is aware of this problem.

[1:10:49 PM](#)

REPRESENTATIVE GRAY informed the committee that as a podcast host, he would often edit the order of guests' statements for clarity. He sought to verify that the bill would only cover AI generated material.

MR. STANCLIFF confirmed.

REPRESENTATIVE GRAY opined that rearranging people's words shouldn't be allowed because it would be easy to insert words and reverse the meaning of sentences. He suggested that the amendment should be broader in scope.

MR. STANCLIFF said that would make the bill more complicated, and the goal was to keep it narrow and focused. He stressed that the use of this technology in child pornography is rampant. He indicated that the intent to cause harm would be determined by the courts.

[1:14:44 PM](#)

REPRESENTATIVE CARPENTER questioned the constitutional right of free speech when applied to the use of AI and how to ensure that AI is not unduly influencing.

MR. STANCLIFF suspected that if the intent of using AI generated images was to cause harm, that person could be held liable under the proposed legislation.

REPRESENTATIVE CARPENTER sought to confirm that the bill seeks to modify AS 45.50.

MR. STANCLIFF answered yes.

REPRESENTATIVE CARPENTER asked whether there was any discussion with Legislative Legal Services about the definition of harm.

MR. STANCLIFF stated that the definition was kept intentionally broad.

[1:18:09 PM](#)

REPRESENTATIVE SUMNER pointed out that the proposed definition of AI contemplates a machine-based system with varying levels of autonomy. He asked whether the bill sponsor had considered a scenario in which the AI system has complete autonomy and asked who would be liable.

MR. STANCLIFF pointed out that AI is widely used for many great purposes. He reiterated that liability would depend on the intent to cause harm.

[1:20:44 PM](#)

REPRESENTATIVE GROH asked whether this issue had been addressed in other states.

MR. STANCLIFF shared his belief that at least 35 other states are delving into this in one way or another. In addition, deep fakes are being addressed by national legislation and technology companies are being asked to be more responsible.

REPRESENTATIVE GROH questioned the origins of the proposed damages of up to \$2,000 for the first violation not to exceed \$2,500 for second or subsequent violations.

MR. STANCLIFF said the bill sponsor was open to the committee's suggestions.

REPRESENTATIVE GROH addressed the concept of intent. He pointed out that in most scenarios, both parties typically believe they are doing the right thing. He asked how that kind of thinking played into the intent to cause harm standard.

MR. STANCLIFF commented on the ability to convince a judge and jury that someone was harmed [by the use of AI].

REPRESENTATIVE GROH asked whether [the proposed damages] were enough.

MR. STANCLIFF reiterated his hope that the committee would delve deeper into these issues. He characterized the bill as a starting point.

[1:26:30 PM](#)

REPRESENTATIVE CARPENTER clarified that he was supportive of the bill's intent. He asked whether the definition of AI matters if its purpose is to cause harm. In addition, he asked who would be responsible when the AI's response is counter to its intent.

MR. STANCLIFF responded, "If your finger hit the keyboard, it could come back to bite you." He reiterated that if the use of AI is intended to cause harm, bully someone, or destroy a

business, the bill would open up the door for more efficient and justifiable civil action.

1:30:13 PM

REPRESENTATIVE SUMNER suggested that an AI program of a certain level of autonomy could be [defined as] a person for the purposes of liability under the proposed legislation.

CHAIR VANCE clarified that the bill would create civil liability, not criminal.

REPRESENTATIVE SUMNER pointed out that in terms of civil liability, incarcerating a computer program would not be entirely possible.

1:32:04 PM

REPRESENTATIVE GRAY gave an example involving two candidates similar in race, age, gender, and height. One of the candidates presents himself/herself as 5 inches taller with the use of Photoshop and wins the race. Considering that the taller candidate tends to win in presidential races, he asked whether the use of Photoshop would be considered AI and whether harm was done.

MR. STANCLIFF answered no. He reiterated that the bill pertains to AI that's used to enhance or change an image with the intent to cause damage. In contrast, if AI was used to make your opponent appear shorter or to alter his/her speech in a strange way, then the bill might apply. He maintained that because it's a civil matter, the courts would need to make a judgement based on intent.

1:34:37 PM

REPRESENTATIVE GRAY considered a scenario in which a radio station unintentionally uses a clip of President Biden that was AI generated and asked whether the radio station would be held liable.

MR. STANCLIFF suggested that the committee should consider indemnifying people who can present an honest answer for airing AI generated content. He pointed out that AI has already been used in politics. He emphasized that the bill would be a starting point for identity protection.

REPRESENTATIVE GRAY opined that \$2,000 is not a deterrent to media companies.

REPRESENTATIVE CARPENTER stated that intent matters. He likened AI generation to an uncontrollable forest fire, indicating that regardless of intent, the person who "pushed the button" should be held responsible.

[1:38:57 PM](#)

REPRESENTATIVE C. JOHNSON pointed out that the Federal Communications Commission (FCC) has very stringent guidelines that does not include the use of AI.

REPRESENTATIVE GRAY stated, "One person's spoof is another person's truth," and shared his belief that [the use of AI on the radio] is something to be concerned about.

REPRESENTATIVE GROH suggested that political satire or parody should not be sanctioned due to First Amendment protections. He emphasized the difficulty of this task given the novelty and importance of the topic.

[1:43:37 PM](#)

CHAIR VANCE announced that HB 358 would be held over.

**HB 254-PROHIBIT PORNOGRAPHY TO MINORS**

[1:43:57 PM](#)

CHAIR VANCE announced that the next order of business would be HOUSE BILL NO. 254, "An Act relating to liability for publishing or distributing pornography to minors on the Internet."

[1:44:20 PM](#)

The committee took an at-ease from 1:44 p.m. to 1:47 p.m.

[1:47:21 PM](#)

CHAIR VANCE passed the gavel to Representative Carpenter.

[1:47:49 PM](#)

CHAIR VANCE, prime sponsor, presented HB 254. She paraphrased the sponsor statement [included in the committee packet], which read as follows [original punctuation provided]:

House Bill 254 stands out as a crucial legislative initiative, addressing the growing public health crisis related to the influence of pornography on minors. It serves as a proactive measure to disrupt a tool employed by traffickers, preventing easy access to young would-be victims through explicit content.

Recent years have witnessed an alarming exposure of minors to pornography, facilitated by advances in technology and the widespread availability of explicit content on the internet. This early exposure contributes to the hyper-sexualization of young minds, promoting bullying in schools and setting unreasonable self-expectations, necessitating urgent legislative action.

House Bill 254 recognizes the disturbing connection between pornography and exploitation. It acknowledges that individuals involved in pornography may be victims of exploitation, blurring the line between consensual adult participation and sex trafficking. Some are forced into participating against their will, revealing a sinister aspect of the adult industry.

The bill also addresses the link between the demand for pornography and the demand for commercial sex, including trafficking victims. The normalization of explicit content in society is argued to contribute to an increased demand for sexual services, perpetuating sex trafficking. Organized crime networks profit from both pornography and exploitation, utilizing explicit content as a lure to manipulate and control vulnerable individuals.

One alarming aspect necessitating urgent legislative intervention is the role of pornography in the tactics employed by human traffickers. By restricting minors' access to explicit material, House Bill 254 serves as a crucial tool in the fight against human trafficking, contributing to the overall well-being and safety of the next generation.

In conclusion, passing House Bill 254 is an urgent and necessary step in safeguarding the mental, emotional, and physical health of our youth. It reflects a collective responsibility to create a secure and nurturing environment, allowing minors to develop into healthy, well-adjusted individuals free from the corrosive influence of explicit material.

CHAIR VANCE concluded that HB 254 would establish civil liability for the intentional publication or distribution of pornography without utilizing a commercially reasonable age verification method. In short, the bill would require age verification before accessing [pornography] websites. She said passing HB 265 is a crucial step towards safeguarding the mental, emotional, and physical health of [Alaska's] youth.

[1:51:49 PM](#)

REPRESENTATIVE CARPENTER cautioned the public that the committee's conversation may not be appropriate for all age groups.

[1:52:19 PM](#)

REPRESENTATIVE GRAY shared his understanding that although [a similar] law passed in Texas, the courts blocked the legislation. He cited the reason for that decision, which quoted Reno v. American Civil Liberties Union, and asked how Alaska would maneuver [if the courts were to strike down HB 265].

[1:53:25 PM](#)

BOB BALLINGER, Staff, Representative Sarah Vance, Alaska State Legislature, on behalf of Representative Vance, prime sponsor of HB 265, pointed out that the Texas ruling was overturned, adding that the state has a legitimate interest in protecting children from pornography.

REPRESENTATIVE GRAY asked how the bill would prevent the use of virtual private networks (VPNs) to circumvent this law.

CHAIR VANCE stated that the bill would not prevent the use of VPNs and that morality cannot be legislated.

[1:55:54 PM](#)

REPRESENTATIVE GRAY shared his understanding that the third-party commercial software would require users to upload a government identification (ID), credit card information, or the use of facial recognition to verify age. He expressed concern that people who follow the law could be at risk of having their identities compromised.

MR. BALLINGER said most of these websites require credit card information regardless. He added that the bill specifically prohibits websites from retaining the information used for identity verification.

REPRESENTATIVE GRAY pointed out that Pornhub is free; furthermore, he stated that websites like X [formerly Twitter] and Reddit contain graphic pornography. He asked how the bill would restrict access to that.

MR. BALLINGER explained that if a platform itself is not creating [the pornographic content] or purposefully providing it, then it would not be held liable.

REPRESENTATIVE GRAY asked whether the intent of the bill is to catch "bad guys" or prevent minors from viewing [pornographic] material.

CHAIR VANCE explained that the bill would prevent minors from accessing pornography, and by doing so, act as another roadblock to prevent offenders [from accessing children].

REPRESENTATIVE CARPENTER opened invited testimony.

[2:02:43 PM](#)

RICHARD DARR, Executive Director, National Decency Coalition, gave invited testimony during the hearing on HB 254. He shared a quote from the Fifth Circuit Court of Appeals and discussed similar legislation enacted in Louisiana, which resulted in an 80 percent decrease in access to Pornhub. In addition, he discussed the technology used in Louisiana that required a government ID and a biometric face scan. He stated that the bill would implement "base level" age verification in Alaska and could go further by empowering the enforcement arm of the state.

[2:06:17 PM](#)

REPRESENTATIVE SUMNER asked whether platforms, like [X] or Instagram, could be considered publishers by engaging in in some level of content moderation.

MR. BALLINGER directed attention to page 2, line 16, which provided a carveout for certain Internet platforms. He reiterated that if the platforms are not creating or distributing the pornography, they would not be held liable.

REPRESENTATIVE SUMNER asked whether pornography websites would fall under this exemption.

MR. BALLINGER answered no.

REPRESENTATIVE SUMNER said he could see the carveout applying to Google as well and asked whether extensive content moderation would essentially place [the content] under control of the entity.

MR. BALLINGER remarked, "If what you're doing is providing a platform, but you're not distributing it, you have no intent to do it, you're not controlling it to the point where you can police all that material, then you wouldn't be liable for it."

[2:10:39 PM](#)

REPRESENTATIVE GROH requested further explanation of the carveout for news and journalism and asked whether this particular provision had been raised for litigation by other states.

CHAIR VANCE shared that her intent is not to interfere with the free speech of journalists and to instead, target those who have purposefully made it their business to provide pornography. She deferred to Mr. Ballinger to speak to any litigation surrounding this issue.

MR. BALLINGER did not know the answer.

REPRESENTATIVE CARPENTER asked Mr. Darr whether there would be any legal implications for this kind of legislation.

MR. DARR said subsection (c) [on page 2, lines 8-10] features identical language to both the Utah and Louisiana bills. He added that the challenges brought against both the [Louisiana and Utah] bills were dismissed.

[2:13:16 PM](#)

REPRESENTATIVE SUMNER asked which of the categories listed in subsection (d) [on page 2, lines 16-18] would capture Instagram or [X].

MR. BALLINGER suggested that they could be considered search engines. He offered to follow up with the requested information.

REPRESENTATIVE CARPENTER directed the question to Mr. Darr.

MR. DARR shared his understanding that they could be considered a "provider."

[2:15:57 PM](#)

CHAIR VANCE highlighted the qualifier on page 1, line 6, which indicated that a substantial portion of the platform's content must be pornography to require age verification.

REPRESENTATIVE SUMNER opined that the ability to carry out significant and targeted moderation, while not moderating other content, would establish an intent to publish.

[2:18:15 PM](#)

REPRESENTATIVE GRAY referenced a Washington Examiner Article that discusses a spike in VPN searches as pornography sites blocked access in Virginia. He noted that per the article, the same spike occurred in Utah before similar legislation was passed. He asked whether the bill sponsor would advise adults to use a VPN if they don't want to share their ID or credit cards.

CHAIR VANCE said she would advise them not to view pornography and would not make a recommendation on how they can skirt the law.

REPRESENTATIVE GRAY asked whether it is against the law to use a VPN.

CHAIR VANCE said not to her knowledge.

REPRESENTATIVE GRAY conveyed the argument that "not all pornography is created equal." He suggested that in an attempt to circumvent the age verification, the bill might inadvertently

lead minors to view illegal websites with worse content that may not implement the same standards as mainstream [pornography] websites.

CHAIR VANCE said the same argument is made for the legalization of prostitution, adding that she highly disagreed.

[2:21:47 PM](#)

REPRESENTATIVE GRAY asked whether the bill sponsor would outlaw pornography if she could.

CHAIR VANCE acknowledged that pornography is protected by the First Amendment. She added that while pornography is inadvisable for anyone's health, she swore an oath to uphold the constitution.

[2:22:42 PM](#)

REPRESENTATIVE CARPENTER announced that HB 254 would be held over.

[2:22:56 PM](#)

The committee took an at-ease from 2:22 p.m. to 2:29 p.m.

[Representative Carpenter returned the gavel to Chair Vance.]

**HB 278-ADMIN. REGULATION REVIEW DIVISION**

[2:29:14 PM](#)

CHAIR VANCE announced that the final order of business would be HOUSE BILL NO. 278, "An Act establishing the administrative regulation review division."

[2:29:32 PM](#)

REPRESENTATIVE BEN CARPENTER, Alaska State Legislature, on behalf of the House Special Committee on Ways and Means, sponsor by request, chaired by Representative Carpenter, presented HB 278. He paraphrased the sponsor statement [included in the committee packet], which read as follows [original punctuation provided]:

According to the Bureau of Economic Analysis, Alaska's economic growth is the worst in the nation. It is

imperative that we grow the private economy. One way to do this is by decreasing the high regulatory burden Alaskan's have when doing business.

In current law, AS 44.62 (Administrative Procedures Act) allows for the Governor or Lieutenant Governor's review of regulations, requires the Department of Law to advise agencies on regulations, and requires public notice and public comment. There is no specific requirement for Legislative review of proposed regulations, nor any action that the Legislature can take on them. Also included in As. 44.62, government corporations are exempt from the Administrative Procedures Act.

HB 278 would establish an Administrative Regulation Review Division, a vital mechanism to ensure transparency, accountability, and efficiency in the regulatory process within the State of Alaska. It also Removes the Government corporations' exemptions from regulatory review from law.

The Administrative Regulation Review Division will serve as a permanent staff agency under the oversight of the Legislative Budget and Audit Committee. Its primary function is to facilitate thorough legislative review of administrative regulations filed by the Lieutenant Governor. This will be achieved through comprehensive assessment of proposed regulations, ensuring alignment with legislative intent, statutory authority, and consistency with applicable laws.

The administrative regulation review division will be tasked with several key responsibilities:

1. Reviewing all administrative regulations to ensure they properly implement legislative intent.
2. Providing comments and recommendations to the governor and state agencies on proposed regulations.
3. Investigating findings transmitted by standing committees regarding regulations inconsistent with legislative intent.
4. Promoting needed amendments or repeals of regulations deemed inappropriate or outdated.
5. Recommending legislative action to annul regulations found to be inconsistent with legislative intent.

Furthermore, the Division will have the authority to examine all administrative regulations, including proposed adoptions, amendments, or orders of repeal. It will provide expert commentary and recommendations to the governor and state agencies, promoting necessary amendments or repeals when regulations deviate from legislative intent or fail to meet statutory standards.

HB 278 aims to simplify regulatory compliance process, ensure regulatory compliance with legislative intent, and provide a mechanism for continuous improvement in our regulatory framework. This will in turn create a better business environment for our State.

2:35:30 PM

KENDRA BROUSSARD, Staff, Representative Ben Carpenter, Alaska state Legislature, on behalf of the House Special Committee on Ways and Means, sponsor by request, chaired by Representative Carpenter, presented the sectional analysis [included in the committee packet], which read as follows [original punctuation provided]:

Section 1 Adds language to conform to new Administrative Procedures language added by this bill to the Administrative Procedures Act (APA) adjudication section of law.

Section 2 Removes the exemption for the Alaska Housing Finance Corporation from the APA.

Section 3 Amends the Legislature statute to require the legislature to review every proposed regulatory action before the date the regulation is scheduled to be adopted, amended, or repealed.

Section 4 Adds a language to the Legislature statute to require standing committees to review proposed regulatory actions and transmit its findings to a new division under the Legislative Budget and Audit Committee (LB&A) established by this bill.

Section 5 Amends Fiscal Note statute to include LB&A in agencies deadline reporting requirements.

Section 6 Adds new language to the Legislature statute allow the Legislative Affairs Agency to review proposed regulations and to assign an attorney for such review.

Section 7 Adds new sections to the Legislature statute to create a permanent staff agency responsible to the LB&A Committee for the purpose of providing legislative review of administrative regulations filed by the Lieutenant Governor, named the Administrative Regulation Review Division. Allows the LB&A Committee to hire staff and requires the Legislative Affairs Agency to provide legal assistance to the new Division. Gives the following powers to the Division:

- (1) Require state officials to give full cooperation to the Division,
- (2) Examine all regulations to determine whether they would properly implement legislative intent,
- (3) Prepare and distribute reports and materials,
- (4) Investigate findings submitted by a standing committee, and
- (5) If necessary, recommend that LB&A introduce legislation to annul adoption of regulations.

Section 8 Removes the exemption for the Alaska Aerospace Corporation from the APA.

Section 9 Removes the exemption for the Adak Reuse Authority from the APA.

Section 10 Removes the exemption for the Alaska Gasline Development Corporation from the APA.

Section 11 Removes the exemption for the Alaska Permanent Fund Corporation from the APA.

Section 12 Conforming language for DNR state lands statute APA requirements.

Section 13 Adds to Public Records statute exemptions legal communications between the Executive and Legislature regarding regulatory review.

Section 14 Conforming language.

Section 15 Conforming language.

Section 16 Adds to the Governor's requirements under the APA to add issues raised by Administrative Regulatory Review Division to reasons the Governor may return a proposed regulation to an adopting agency.

Section 17 Adds to public notice requirements under the APA that copies of proposed regulations be furnished to the LLA when distributed to the public.

Section 18-20 Conforming language.

Section 21 Adds a new section to APA statute to require the Lieutenant Governor to submit filed regulations to the Administrative Regulatory Review Division along with their fiscal notes, requires agencies to submit proposed regulations to the Review Division when submitted to the Governor, and gives the Review Division 10 days to submit comments to the Governor.

Section 22-26 Conforming language.

Section 27 Removes the exemption for the Alaska Energy Authority from the APA.

Section 28 Adds to uncodified law that this Act applies to adoption, amendment, or repeal of a regulation that is first proposed on or after the effective date of this Act.

[2:39:45 PM](#)

REPRESENTATIVE CARPENTER explained that the legislature, while in session, is mostly consumed with bills drafted during session and has little time for regulatory review. He noted there would likely be a fairly substantial fiscal note associated with setting up a permanent division to do this task. Nonetheless, he said if better, more efficient governance is the goal, there should be a permanent division to review regulations that can be costly in time and action within the public sector.

[2:41:51 PM](#)

REPRESENTATIVE SUMNER said he liked the legislation. He sought asked whether Sections 3 and 4, which directed standing committees to take certain action, would be considered intent language.

REPRESENTATIVE CARPENTER confirmed that the Regulatory Review Division would not have the authority to direct legislators within a standing committee to take action.

[2:42:48 PM](#)

REPRESENTATIVE GRAY asked how the proposed legislation relates to the "sunset commission bill."

REPRESENTATIVE CARPENTER said the two entities would be completely different. The proposed sunset commission, composed of commissioners appointed by the governor and the legislature, would be created underneath the Office of the Lieutenant Governor to review departments over time. Conversely, this division would fall underneath the Legislative Budget and Audit Committee for the purpose of reviewing new regulations.

REPRESENTATIVE GRAY speculated that the staff would be entrusted to do the work. He asked what would be expected of the legislators and full-time staff.

REPRESENTATIVE CARPENTER explained that if [the Regulatory Review Division] were created, there would be staff, similar to [Legislative Finance Division], with a mission and a director. The division's work would be reported to the chair [of the Legislative Budget and Audit Committee]. He likened the proposed division to a standing committee with a full-time staff existing under Legislative Budget and Audit Committee for interim supervision to pursue regulatory review.

REPRESENTATIVE GRAY asked whether there would be a framework for the division of labor.

REPRESENTATIVE CARPENTER said the sooner it starts, the sooner it's finished. He acknowledged that there would need to be a division of effort and prioritization.

[2:48:40 PM](#)

REPRESENTATIVE SUMNER shared his understanding that there used to be a special House committee for regulatory review. He suggested creating a special or permanent standing committee for regulatory review.

REPRESENTATIVE CARPENTER said the focus of the Legislative Budget and Audit Committee is work during interim, whereas for

standing committees, it's not. He argued that with a standing committee, it could be a challenge to find initiative during the interim.

REPRESENTATIVE SUMNER suggested that there could be value in creating a standing committee to receive referrals for bills promulgating the creation of new regulatory structures in statute.

REPRESENTATIVE CARPENTER acknowledged that, arguably, the same effect could be achieved by creating a standing committee, but there would still need to be full-time staff to do the work.

[2:52:39 PM](#)

REPRESENTATIVE C. JOHNSON recalled that the problem with the [Administrative Regulation Review Committee] was the change in membership every two years; consequently, certain vendettas against certain things politicized the committee and hindered its functionality and efficiency.

[2:54:07 PM](#)

CHAIR VANCE questioned the current process for regulation review by the legislature.

REPRESENTATIVE CARPENTER said the process is spelled out in AS 04.25.182.

CHAIR VANCE questioned how the bill would impact the length of time it takes to adopt new regulations. She asked the bill sponsor to clarify the relationship between the proposed division and the process of reviewing regulation in the next bill hearing.

[HB 278 was held over.]

[2:57:33 PM](#)

#### **ADJOURNMENT**

There being no further business before the committee, the House Judiciary Standing Committee meeting was adjourned at 2:57 p.m.