

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

March 1, 2023

3:16 p.m.

MEMBERS PRESENT

Representative Jesse Sumner, Chair
Representative Justin Ruffridge, Vice Chair
Representative Mike Prax
Representative Dan Saddler
Representative Stanley Wright
Representative Ashley Carrick
Representative Zack Fields

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

HOUSE BILL NO. 46

"An Act allowing child care providers that receive state aid to organize and collectively bargain with the Department of Health; and establishing the child care provider fund."

- MOVED CSHB 46(L&C) OUT OF COMMITTEE

HOUSE BILL NO. 73

"An Act relating to investigations conducted by the Department of Commerce, Community, and Economic Development."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 46

SHORT TITLE: CHILD CARE PROVIDER COLLECTIVE BARGAINING

SPONSOR(S): REPRESENTATIVE(S) FIELDS

01/25/23	(H)	READ THE FIRST TIME - REFERRALS
01/25/23	(H)	L&C, STA, FIN
01/30/23	(H)	L&C AT 3:15 PM BARNES 124
01/30/23	(H)	Heard & Held
01/30/23	(H)	MINUTE(L&C)
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)
02/20/23 (H) L&C AT 3:15 PM BARNES 124
02/20/23 (H) Heard & Held
02/20/23 (H) MINUTE (L&C)
02/27/23 (H) HSS REPLACES STA REFERRAL
02/27/23 (H) BILL REPRINTED
03/01/23 (H) L&C AT 3:15 PM BARNES 124

BILL: HB 73

SHORT TITLE: DCCED LICENSING INVESTIGATIONS

SPONSOR (S): REPRESENTATIVE (S) SCHRAGE

02/15/23 (H) READ THE FIRST TIME - REFERRALS
02/15/23 (H) L&C
02/24/23 (H) L&C AT 3:15 PM BARNES 124
02/24/23 (H) -- MEETING CANCELED --
02/27/23 (H) L&C AT 3:15 PM BARNES 124
02/27/23 (H) -- MEETING CANCELED --
03/01/23 (H) L&C AT 3:15 PM BARNES 124

WITNESS REGISTER

REPRESENTATIVE CALVIN SCHRAGE

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: As prime sponsor, presented HB 73.

SYLVAN ROBB, Director

Division of Corporations, Business, and Professional Licensing

Department of Commerce, Community, and Economic Development

Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on HB 73.

ACTION NARRATIVE

[3:16:43 PM](#)

CHAIR JESSE SUMNER called the House Labor and Commerce Standing Committee meeting to order at 3:16 p.m. Representatives Prax, Ruffridge, Wright, Fields, and Sumner were present at the call to order. Representatives Carrick and Saddler arrived as the meeting was in progress.

HB 46-CHILD CARE PROVIDER COLLECTIVE BARGAINING

[3:17:15 PM](#)

CHAIR SUMNER announced that the first order of business would be HOUSE BILL NO. 46, "An Act allowing child care providers that receive state aid to organize and collectively bargain with the Department of Health; and establishing the child care provider fund."

[3:17:33 PM](#)

REPRESENTATIVE RUFFRIDGE moved to report HB 46 out of committee with individual recommendations and the accompanying fiscal notes.

[3:17:53 PM](#)

REPRESENTATIVE PRAX objected for clarification.

CHAIR SUMNER stated that HB 46 is the childcare bill.

[3:18:18 PM](#)

REPRESENTATIVE PRAX removed his objection. There being no further objection, HB 46 was reported out of the House Labor and Commerce Standing Committee.

[3:18:24 PM](#)

The committee took an at-ease from 3:18 p.m. to 3:22 p.m.

HB 73-DCCED LICENSING INVESTIGATIONS

[3:22:21 PM](#)

CHAIR SUMNER announced that the final order of business would be HOUSE BILL NO. 73, "An Act relating to investigations conducted by the Department of Commerce, Community, and Economic Development."

[3:22:47 PM](#)

REPRESENTATIVE CALVIN SCHRAGE, Alaska State Legislature, as prime sponsor, stated that the purpose of HB 73 is to provide any person that files a complaint with the Department of Commerce, Community, and Economic Development (DCCED) a notification prior to the closure of the investigation into their complaint. This would provide the complainant with a

period of ten days in which to object to the closure of their complaint.

[3:24:53 PM](#)

REPRESENTATIVE PRAX asked if it is correct that a complainant has the opportunity to provide input before a final decision is made.

REPRESENTATIVE SCHRAGE answered that it is. In response to a follow-up question, he answered that a department will accept additional information after a case is closed, but the goal of the proposed legislation is to provide advanced notification before a final decision is rendered. He added that the bill would not occur any fiscal notes due to notification already being provided after a case is closed.

[3:26:49 PM](#)

REPRESENTATIVE PRAX asked if HB 73 would result in the complaint process starting over.

REPRESENTATIVE SCHRAGE answered that the case would not remain perpetually open, as there would still be a limited amount of time for new information to be provided, and a limit to any new information that could exist. He added that it is different than a court proceeding in that both sides do not necessarily see the evidence from the other side.

[3:30:05 PM](#)

REPRESENTATIVE SADDLER asked for clarification as to how much the proposed legislation could lengthen the process and whether it was necessary.

REPRESENTATIVE SCHRAGE answered that the proposed legislation was in response to a constituent's story about filing a complaint that the constituent believed to be meritorious and then not knowing its status until the case was closed. He said that HB 73 would provide a ten-day window to provide additional documentation, and that any additional documentation given would not restart those ten days. In response to a follow-up question, he stated that many people unfamiliar with how such investigations work may not provide all available information up front, but only what they feel is enough to prove their case. He added that if DCCED would still have the ability to close a

case if it felt that the additional documentation did not substantially change the merits of the case.

[3:34:46 PM](#)

REPRESENTATIVE PRAX asked if Sylvan Robb could explain the complaint process.

[3:35:15 PM](#)

SYLVAN ROBB, Director, Division of Corporations, Business, and Professional Licensing, Department of Commerce, Community, and Economic Development, stated the first step of the process for a member of the public is to submit their complaint in writing. If the case has merit, the department moves forward with the case and assigns an investigative team. She said that the word "investigation" is not used until the department reaches a point in which there is substantial evidence to support the complaint due to the potential consequences of using such language in investigations involving someone with a professional license.

[3:38:41 PM](#)

REPRESENTATIVE RUFFRIDGE asked whether informing a complainant of the closure of their complaint is currently standard procedure.

MS. ROBB answered that it is the policy of the Division of Corporations, Business, and Professional Licensing to do so. She added that if a case moves to the investigation phase, then the result of the investigation becomes public information. In response to a follow-up question, she said that the reason for not giving more information to a complainant is to protect the reputation of a licensee in cases of claims with no merit, although she noted that it is worth considering any possible ways to explain why the complaint was closed in more broad terms.

REPRESENTATIVE RUFFRIDGE asked whether such a change could be implemented internally by the division or a change in statute would be necessary.

MS. ROBB answered that the division would be able to amend what is sent to a complainant internally as it is already its policy to inform the complainant.

[3:43:11 PM](#)

REPRESENTATIVE SADDLER asked at what stages the complainant receives any feedback from the division.

MS. ROBB answered that during the first stage, a complainant reaches out to the division and is then asked to fill out a complaint packet if they wish to move forward with their complaint. In response to a follow-up question, she reiterated that if the division moves forward with a case, the complainant is informed of the result, and if the result involves action taken against a licensee, that becomes public information.

REPRESENTATIVE SADDLER asked if it is correct that a complainant is not considered to be a party to any investigation that occurs.

MS. ROBB answered that it is. In response to a follow-up question, she said that she is unsure whether adding additional notice would have a legal effect on a complainant not being party to the investigation but does not believe it will.

[HB 73 was held over.]

[3:48:09 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at 3:48 p.m.