

ALASKA STATE LEGISLATURE
HOUSE LABOR AND COMMERCE STANDING COMMITTEE

April 17, 2023

3:35 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. 88

"An Act relating to work quotas for employees at warehouse distribution centers; and providing for an effective date."

- MOVED CSHB 88(L&C) OUT OF COMMITTEE

HOUSE BILL NO. 21

"An Act relating to group insurance coverage and self-insurance coverage for school district employees, employees of the University of Alaska, and employees of other governmental units in the state; and providing for an effective date."

- HEARD & HELD

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."

- HEARD & HELD

HOUSE BILL NO. 150

"An Act relating to residential building codes; relating to construction contractors and residential contractor endorsements; and providing for an effective date."

- BILL HEARING CANCELED

PREVIOUS COMMITTEE ACTION

BILL: HB 88

SHORT TITLE: WAREHOUSE WORK QUOTA INFORMATION

SPONSOR(S): REPRESENTATIVE(S) RAUSCHER

02/27/23	(H)	READ THE FIRST TIME - REFERRALS
02/27/23	(H)	L&C, JUD
03/29/23	(H)	L&C AT 3:15 PM BARNES 124
03/29/23	(H)	Heard & Held
03/29/23	(H)	MINUTE(L&C)
04/10/23	(H)	L&C AT 3:15 PM BARNES 124
04/10/23	(H)	<Bill Hearing Canceled>
04/12/23	(H)	L&C AT 3:15 PM BARNES 124
04/12/23	(H)	Heard & Held
04/12/23	(H)	MINUTE(L&C)
04/14/23	(H)	L&C AT 3:15 PM BARNES 124
04/14/23	(H)	Heard & Held
04/14/23	(H)	MINUTE(L&C)
04/17/23	(H)	L&C AT 3:15 PM BARNES 124

BILL: HB 21

SHORT TITLE: SCHOOL/UNIVERSITY EMPLOYEE HEALTH INSUR

SPONSOR(S): REPRESENTATIVE(S) VANCE

01/19/23	(H)	PREFILE RELEASED 1/9/23
01/19/23	(H)	READ THE FIRST TIME - REFERRALS
01/19/23	(H)	CRA, EDC, L&C
01/27/23	(H)	CRA REFERRAL REMOVED
01/27/23	(H)	BILL REPRINTED
03/13/23	(H)	EDC AT 8:00 AM DAVIS 106
03/13/23	(H)	Heard & Held
03/13/23	(H)	MINUTE(EDC)
03/27/23	(H)	EDC AT 8:00 AM DAVIS 106
03/27/23	(H)	Moved HB 21 Out of Committee
03/27/23	(H)	MINUTE(EDC)
03/29/23	(H)	EDC RPT 2DP 4NR
03/29/23	(H)	DP: MCKAY, ALLARD
03/29/23	(H)	NR: HIMSCHOOT, STORY, PRAX, RUFFRIDGE
04/03/23	(H)	L&C AT 3:15 PM BARNES 124
04/03/23	(H)	-- MEETING CANCELED --
04/05/23	(H)	L&C AT 3:15 PM BARNES 124
04/05/23	(H)	-- MEETING CANCELED --
04/12/23	(H)	L&C AT 3:15 PM BARNES 124
04/12/23	(H)	Heard & Held

04/12/23 (H) MINUTE (L&C)
 04/14/23 (H) L&C AT 3:15 PM BARNES 124
 04/14/23 (H) Heard & Held
 04/14/23 (H) MINUTE (L&C)
 04/17/23 (H) L&C AT 3:15 PM BARNES 124

BILL: HB 149

SHORT TITLE: NURSING: LICENSURE; MULTISTATE COMPACT
 SPONSOR(S): REPRESENTATIVE(S) PRAX

03/31/23 (H) READ THE FIRST TIME - REFERRALS
 03/31/23 (H) MLV, L&C
 04/03/23 (H) MLV REFERRAL MOVED TO AFTER L&C
 04/03/23 (H) BILL REPRINTED
 04/07/23 (H) L&C AT 3:15 PM BARNES 124
 04/07/23 (H) -- MEETING CANCELED --
 04/12/23 (H) L&C AT 3:15 PM BARNES 124
 04/12/23 (H) Heard & Held
 04/12/23 (H) MINUTE (L&C)
 04/14/23 (H) L&C AT 3:15 PM BARNES 124
 04/14/23 (H) Heard & Held
 04/14/23 (H) MINUTE (L&C)
 04/17/23 (H) L&C AT 3:15 PM BARNES 124

WITNESS REGISTER

CLAYTON HOLLAND, Superintendent
 Kenai Peninsula Borough School District
 Kenai, Alaska

POSITION STATEMENT: Provided public testimony during the hearing on HB 21.

BONNIE PAYSON, Executive Director
 Pacific Health Coalition
 Ridgefield, Washington

POSITION STATEMENT: Provided invited testimony during the hearing on HB 21.

PAT SHIER, Alaska Membership Representative
 Pacific Health Coalition
 Wasilla, Alaska

POSITION STATEMENT: Provided invited testimony during the hearing on HB 21.

REPRESENTATIVE SARAH VANCE
 Alaska State Legislature
 Juneau, Alaska

POSITION STATEMENT: As prime sponsor, answered questions during the hearing on HB 21.

BETSY WOOD, Chief Health Administrator
Division of Retirement and Benefits
Department of Administration
Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on HB 21.

DANETTE SCHLOEDER, DNP, RNC-OB, C-EFM, C-ONQS, Chair
Alaska Board of Nursing
Anchorage, Alaska

POSITION STATEMENT: Provided invited testimony on HB 149.

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 149.

TAMMIE PERREAULT, Regional Liaison
Defense-State Liaison Office
Department of Defense
Seattle, Washington

POSITION STATEMENT: Gave invited testimony during the hearing on HB 149.

MOLLYMAEVE LUSK, Associate
National Council of State Boards of Nursing
Chicago, Illinois

POSITION STATEMENT: Answered questions during the hearing on HB 149.

ACTION NARRATIVE

[3:35:47 PM](#)

CHAIR JESSE SUMNER called the House Labor and Commerce Standing Committee meeting to order at 3:35 p.m. Representatives Ruffridge, Prax, Saddler, Wright, Carrick, Fields, and Sumner were present at the call to order.

HB 88-WAREHOUSE WORK QUOTA INFORMATION

[3:36:25 PM](#)

CHAIR SUMNER announced that the first order of business would be HOUSE BILL NO. 88, "An Act relating to work quotas for employees at warehouse distribution centers; and providing for an effective date."

[3:36:45 PM](#)

REPRESENTATIVE WRIGHT moved to rescind the committee's previous action in failing to adopt Amendment 3 to HB 88 on 4/14/23. There being no objection, Amendment 3, labeled 33-LS0516\A.3, Klein, 4/14/23 was once again before the committee. Amendment 3 read as follows:

Page 1, line 9:
Delete "100"
Insert "200"

[3:37:06 PM](#)

REPRESENTATIVE RUFFRIDGE objected to Amendment 3 for the purpose of discussion. He questioned the effect of the amendment.

[3:37:33 PM](#)

CHAIR SUMNER responded that the amendment would increase the threshold in the bill from 100 employees to 200 employees.

[3:38:18 PM](#)

REPRESENTATIVE RUFFRIDGE removed his objection. There being no further objection, Amendment 3 was adopted.

[3:38:27 PM](#)

REPRESENTATIVE RUFFRIDGE moved to report HB 88, as amended, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 88(L&C) was reported out of the House Labor and Commerce Standing Committee.

HB 21-SCHOOL/UNIVERSITY EMPLOYEE HEALTH INSUR

[3:38:50 PM](#)

CHAIR SUMNER announced that the next order of business would be HOUSE BILL NO. 21, "An Act relating to group insurance coverage

and self-insurance coverage for school district employees, employees of the University of Alaska, and employees of other governmental units in the state; and providing for an effective date."

[3:40:06 PM](#)

The committee took a brief at-ease.

[3:40:44 PM](#)

CHAIR SUMNER opened public testimony on HB 21.

[3:40:47 PM](#)

CLAYTON HOLLAND, Superintendent, Kenai Peninsula Borough School District, stated that Alaska has the highest health care costs and Alaskans have the highest insurance premiums in the U.S. He explained that Alaskans have high out-of-pocket costs, and these high health care costs are negatively impacting recruitment and retention in Kenai schools. He expressed the belief that joining a larger health care pool would alleviate some of those costs.

[3:42:10 PM](#)

REPRESENTATIVE FIELDS questioned why political subdivisions are not working.

MR. HOLLAND answered that school districts only have the opportunity to renegotiate health care costs during collective bargaining agreement negotiations. He added that Kenai Peninsula Borough School District is self-insured.

REPRESENTATIVE FIELDS asked about other potential options for the district.

MR. HOLLAND answered that the district submits all relevant information in its annual bid for health care plans. He added that the cost is \$25,000 per employee, with the potential to reduce costs to \$20,000 per employee, if a bid were made with an insurance company.

[3:46:05 PM](#)

MR. HOLLAND, in response to a question from Chair Sumner, reiterated that the Kenai Peninsula Borough School District

self-insures. In response to a follow-up question, he said that the district is separate from the borough. He added that there has been interest expressed in combining the two accounts. In response to a follow-up question, without the numbers in front of him, he expressed uncertainty of the account balance for the district.

[3:47:36 PM](#)

REPRESENTATIVE PRAX asked whether the school district administers the policy or uses a network.

MR. HOLLAND answered that the district works with a network. In response to a follow-up question, he said that the district does have a stop-loss policy.

[3:49:10 PM](#)

REPRESENTATIVE FIELDS asked whether the Kenai Peninsula Borough School District would have the ability to join Alaska Care if HB 21 were passed.

MR. HOLLAND answered that the school district would join the plan if the bill were passed. In response to a follow-up question, he expressed the belief that adding the school district to the pool would reduce healthcare costs for everyone involved.

REPRESENTATIVE FIELDS asked whether joining Alaska Care would require Kenai Peninsula Borough School District to renegotiate the union contract.

MR. HOLLAND answered that negotiations occur every three years, with the upcoming year being a negotiation year. He added that other school districts could amend their contracts or wait for their next negotiation. In response to a follow-up question, he said that costs have increased significantly, although he does not have the numbers available.

[3:54:41 PM](#)

CHAIR SUMNER, after ascertaining there was no one else who wished to testify, closed public testimony on HB 21.

[3:55:04 PM](#)

REPRESENTATIVE FIELDS asked whether the Kenai Peninsula Borough School District would be able to join the Pacific Health Coalition.

[3:56:08 PM](#)

BONNIE PAYSON, Executive Director, Pacific Health Coalition, providing invited testimony, answered that Kenai Peninsula Borough School District is already a member of the Pacific Health Coalition. She added that the coalition works to negotiate insurance rates as a group in order to reduce prices.

REPRESENTATIVE FIELDS asked for clarification on whether the school district is a member.

MS. PAYSON answered that the school district is a member.

[3:58:25 PM](#)

REPRESENTATIVE FIELDS questioned the requirements for entry and exit into the pool to prevent undermining price shopping.

MS. PAYSON expressed uncertainty; however, she suggested that a lack of such controls could lead to Alaska Care being undermined.

PAT SHIER, Alaska Membership Representative, Pacific Health Coalition, added that he is unaware of any state allowing any public entity to join its state employee group.

[4:00:10 PM](#)

REPRESENTATIVE SADDLER asked whether the limit in Section 3 of the bill would be an annual limit.

REPRESENTATIVE SARAH VANCE, Alaska State Legislature, as prime sponsor, answered that the limit would allow the fund to be used for claims over a period of multiple years.

[4:01:28 PM](#)

REPRESENTATIVE RUFFRIDGE asked why expenditures would come out of the public education fund.

REPRESENTATIVE VANCE answered that this is an accounting mechanism and the fund would be reimbursed. In response to a

follow-up question, she answered that the bill would require funds to be transferred within 30 days.

[4:04:50 PM](#)

The committee took an at-ease from 4:04 p.m. to 4:13 p.m.

[4:13:21 PM](#)

BETSY WOOD, Chief Health Administrator, Division of Retirement and Benefits, Department of Administration, in response to a question from Representative Fields, expressed uncertainty on the amount of money currently in the public education fund. She added that the Department of Education and Early Development would be more likely to have this information.

[4:14:36 PM](#)

REPRESENTATIVE RUFFRIDGE questioned using the public education fund to pay for health insurance and benefits.

MS. WOOD answered that Section 3 would allow the fund to be used to cover 4 months' worth of health insurance claims.

REPRESENTATIVE VANCE added that participating school employers will reimburse the fund, and it is a mechanism for a school district to be able to gain entry into the program and allow insurance claims to be paid.

REPRESENTATIVE RUFFRIDGE asked whether the 10-year language in the bill would act as a loan.

REPRESENTATIVE VANCE answered that the intent is to provide continuous health care coverage and flexibility.

[4:19:28 PM](#)

REPRESENTATIVE FIELDS asked whether a school district would be required to pay back money it used from the public education fund, if it entered and then left the Alaska Care system.

REPRESENTATIVE VANCE answered yes.

MS. WOOD concurred with the assessment.

[4:20:54 PM](#)

REPRESENTATIVE PRAX expressed the hope that the Department of Administration extensively reviewed the proposed legislation, as the complex nature of the bill would mean future changes would be difficult to make.

[4:22:28 PM](#)

REPRESENTATIVE FIELDS asked whether after joining Alaska Care a school district would be able to transfer its reserves.

MS. WOOD answered yes.

REPRESENTATIVE VANCE added that it would be the duty of the school boards to pay for participation in Alaska Care. She said that any closing balance a school district has would be provided to the group health fund. The public education fund would only be used in cases in which a school district does not have a remaining balance to cover insurance.

[4:25:34 PM](#)

REPRESENTATIVE FIELDS asked whether new members would be added to the same pool or a new pool.

MS. WOOD responded that the proposed legislation would give the department the option. She expressed the belief that the intent of the bill is to pool new members with Alaska Care.

[4:26:22 PM](#)

CHAIR SUMNER announced that HB 21 was held over.

HB 149-NURSING: LICENSURE; MULTISTATE COMPACT

[4:27:03 PM](#)

CHAIR SUMNER announced that the final order of business would be 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."

[4:27:48 PM](#)

DANETTE SCHLOEDER, DNP, RNC-OB, C-EFM, C-ONQS, Chair, Alaska Board of Nursing, stated that she has been a registered nurse in Alaska for 28 years and a member of the Alaska Board of Nursing for 4 years. She explained that the board is comprised of seven

members, and its mission is to promote the health of Alaskans by making licensing decisions, enforcing ethics, and setting licensing requirements. After hearing stories of nurses needing several different licenses to practice in other states, she said that since 2017 the board has supported joining the Nursing Licensure Compact (NLC). She stated that the Alaska Board of Nursing has reviewed the requirements and qualifications to earn a license under the NLC, and she expressed the opinion that joining the NLC would not have adverse effects on Alaskans, nor would it reduce state sovereignty. She continued that joining the NLC would be a significant step toward reducing the nursing shortage.

[4:32:59 PM](#)

REPRESENTATIVE FIELDS asked whether it was true that individuals were only nominated to the Alaska Board of Nursing if they supported the NLC.

MS. SCHLOEDER responded that she was not asked whether she supported the NLC when she was appointed to the board. In response to a follow-up question, concerning continuing education requirements, she stated that there are different levels of continuing education and different states have different requirements, and she cannot compare the different continuing education requirements. She added that the board addresses licensure, which is based on competency. In response to a follow-up question, she expressed uncertainty about how NLC would affect licensure costs.

[4:36:30 PM](#)

SYLVAN ROBB, Director, Division of Corporations Business and Professional Licensing, Department of Commerce, Community and Economic Development, said that there are a handful of states without further education requirements, and the National Council of State Boards of Nursing (NCSBN) would have further insight into these requirements.

[4:37:31 PM](#)

TAMMIE PERREAULT, Regional Liaison, Defense-State Liaison Office, U.S. Department of Defense (DoD), stated that DoD supports any legislation which helps military families. She stated that Alaska has the highest per capita rate of military families, and many include spouses who work in a field requiring licensure, with healthcare being the largest group. She said

that DoD supports HB 149, as the NLC will allow military spouses to begin working, shortening the possible long periods of unemployment. She added that Alaska is one of only five states that is not a member of any licensure compact for any occupation.

[4:40:29 PM](#)

REPRESENTATIVE FIELDS asked whether a bill passed the previous year to expedite licensure for military spouses has been helpful.

MS. PERRAULT answered in the affirmative. She added that licensure compacts are more effective because they eliminate the need for an additional licensure process in any form.

[4:41:24 PM](#)

REPRESENTATIVE CARRICK asked whether there are any occupations where DoD does not support compacting or has no position.

MS. PERREAULT answered that there are 15 different occupational licensure compacts, of which the DoD supports 14. She continued that DoD has no position on the Interstate Medical Licensure Compact, and this is because of the low number of military spouses who would benefit.

[4:42:47 PM](#)

REPRESENTATIVE WRIGHT asked whether the compact has been successful in other states.

MS. PERREAULT answered in the affirmative. She added that military spouses preparing to be stationed in a non-compact state would face an additional barrier. In response to a follow-up question, she stated that licensure compacting reduces costs for military families, and this includes lost income waiting for the licensing process.

[4:45:09 PM](#)

REPRESENTATIVE FIELDS asked whether it was true NCSBN wrote in a letter to the Nevada Legislature that NLC would not solve the nursing shortage.

MOLLYMAEVE LUSK, Associate, National Council of State Boards of Nursing, answered that the NLC is only one tool among others

that can be used to help reduce the shortage. In response to a follow-up question, she said that it is not a goal of NLC to support or facilitate "union busting." She added that NLC is a benefit for individual nurses.

REPRESENTATIVE FIELDS asked whether NCSBN would be supportive of adding antiunion busting language to the compact.

MS. LUSK answered that this would require review.

REPRESENTATIVE FIELDS commented that there was an incident in Minnesota in which a nursing union was busted.

[4:48:56 PM](#)

CHAIR SUMNER announced that HB 149 was held over.

[4:50:04 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at 4:50 p.m.