

ALASKA STATE LEGISLATURE
HOUSE LABOR AND COMMERCE STANDING COMMITTEE

April 26, 2023

3:15 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

CS FOR SENATE BILL NO. 55 (FIN)

"An Act extending the termination date of the Board of Certified Direct-Entry Midwives; extending the termination date of the State Medical Board; and providing for an effective date."

- HEARD & HELD

HOUSE BILL NO. 91

"An Act relating to deduction of labor or employee organization dues or service fees from the pay of certain public employees; and providing for an effective date."

- HEARD & HELD

HOUSE BILL NO. 119

"An Act relating to marijuana taxes; 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."

- 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

PREVIOUS COMMITTEE ACTION

BILL: SB 55

SHORT TITLE: EXTND BDS: MEDICAL, DIRECT-ENTRY MIDWIVES

SPONSOR(s): SENATOR(s) WIELECHOWSKI

02/01/23	(S)	READ THE FIRST TIME - REFERRALS
02/01/23	(S)	L&C, FIN
02/17/23	(S)	L&C AT 1:30 PM BELTZ 105 (TSBldg)
02/17/23	(S)	Heard & Held
02/17/23	(S)	MINUTE(L&C)
02/20/23	(S)	L&C AT 1:30 PM BELTZ 105 (TSBldg)
02/20/23	(S)	Moved SB 55 Out of Committee
02/20/23	(S)	MINUTE(L&C)
02/22/23	(S)	L&C RPT 3DP 1NR
02/22/23	(S)	DP: BISHOP, DUNBAR, GRAY-JACKSON
02/22/23	(S)	NR: MERRICK
03/07/23	(S)	FIN AT 9:00 AM SENATE FINANCE 532
03/07/23	(S)	Heard & Held
03/07/23	(S)	MINUTE(FIN)
04/03/23	(S)	FIN AT 9:00 AM SENATE FINANCE 532
04/03/23	(S)	Moved CSSB 55(FIN) Out of Committee
04/03/23	(S)	MINUTE(FIN)
04/07/23	(S)	FIN RPT CS 3DP 4NR NEW TITLE
04/07/23	(S)	DP: HOFFMAN, OLSON, KIEHL
04/07/23	(S)	NR: STEDMAN, WILSON, MERRICK, BISHOP
04/12/23	(S)	TRANSMITTED TO (H)
04/12/23	(S)	VERSION: CSSB 55(FIN)
04/14/23	(H)	READ THE FIRST TIME - REFERRALS
04/14/23	(H)	L&C, FIN
04/26/23	(H)	L&C AT 3:15 PM BARNES 124

BILL: HB 91

SHORT TITLE: PUBLIC EMPLOYEES' UNION DUES DEDUCTIONS

SPONSOR(s): REPRESENTATIVE(s) MCCABE

03/01/23	(H)	READ THE FIRST TIME - REFERRALS
03/01/23	(H)	L&C, JUD
03/17/23	(H)	L&C AT 3:15 PM BARNES 124

03/17/23 (H) <Bill Hearing Canceled>
04/26/23 (H) L&C AT 3:15 PM BARNES 124

BILL: HB 119

SHORT TITLE: MARIJUANA TAX

SPONSOR(s): RULES BY REQUEST

03/17/23 (H) READ THE FIRST TIME - REFERRALS
03/17/23 (H) L&C, FIN
03/24/23 (H) L&C AT 3:15 PM BARNES 124
03/24/23 (H) <Bill Hearing Canceled>
03/31/23 (H) L&C AT 3:15 PM BARNES 124
03/31/23 (H) Heard & Held
03/31/23 (H) MINUTE(L&C)
04/24/23 (H) L&C AT 3:15 PM BARNES 124
04/24/23 (H) <Bill Hearing Rescheduled to 04/26/23>
04/26/23 (H) L&C AT 3:15 PM BARNES 124

BILL: HB 150

SHORT TITLE: RESIDENTIAL BUILDING CODE

SPONSOR(s): SUMNER

03/31/23 (H) READ THE FIRST TIME - REFERRALS
03/31/23 (H) L&C
04/14/23 (H) L&C AT 3:15 PM BARNES 124
04/14/23 (H) <Bill Hearing Canceled>
04/19/23 (H) L&C AT 3:15 PM BARNES 124
04/19/23 (H) -- MEETING CANCELED --
04/21/23 (H) L&C AT 3:15 PM BARNES 124
04/21/23 (H) <Bill Hearing Canceled>
04/26/23 (H) L&C AT 3:15 PM BARNES 124

BILL: HB 149

SHORT TITLE: NURSING: LICENSURE; MULTISTATE COMPACT

SPONSOR(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
04/17/23 (H) Heard & Held
04/17/23 (H) MINUTE (L&C)
04/26/23 (H) L&C AT 3:15 PM BARNES 124

WITNESS REGISTER

SENATOR BILL WIELECHOWSKI
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: As prime sponsor, presented CSSB 55 (FIN).

MERCEDES COLBERT, Staff
Senator Bill Wielechowski
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: On behalf of Senator Wielechowski, prime sponsor of CSSB 55 (FIN), deferred a question to the legislative auditor.

KRIS CURTIS, Legislative Auditor
Alaska Division of Legislative Audit
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Answered questions regarding CSSB 55 (FIN).

REPRESENTATIVE KEVIN MCCABE
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: As prime sponsor, presented HB 91.

VINCENT VERNUCCIO, Senior Policy Advisor
Workers for Opportunity
Washington D.C.

POSITION STATEMENT: Gave invited testimony during the hearing on HB 91.

MARK JANUS, representing self
Punta Gorda, Florida

POSITION STATEMENT: Gave invited testimony during the hearing on HB 91.

BUDDY WHITT, Staff
Representative Kevin McCabe
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: On behalf of Representative McCabe, prime sponsor, answered questions during the hearing on HB 91.

JESSE LOGAN, Staff
Representative Jesse Sumner
Juneau, Alaska

POSITION STATEMENT: Introduced HB 119 on behalf of the bill sponsor, House Rules by Request.

CODY RICE, Staff
Representative Cathy Tilton
Juneau, Alaska

POSITION STATEMENT: On behalf of the sponsor, House Rules by Request, gave a PowerPoint presentation, titled "HB 119 Marijuana Tax."

RYAN TUNSETH, President
Alaska Marijuana Industry Association
Kenai, Alaska

POSITION STATEMENT: Gave invited testimony during the hearing on HB 119.

JANA WELTZIN, Co-Chair
Governor's Advisory Task Force on Marijuana
Anchorage, Alaska

POSITION STATEMENT: Gave invited testimony during the hearing on HB 119.

STEVE MENARD, Staff
Representative Jesse Sumner
Alaska State Legislature

POSITION STATEMENT: Introduced HB 150, on behalf of Representative Sumner, prime sponsor.

ERIC VISSER, President
Alaska State Home Building Association
Anchorage, Alaska

POSITION STATEMENT: Answered questions during the hearing on HB 150.

DAVID OWENS
Alaska State Home Building Association
Palmer, Alaska

POSITION STATEMENT: Gave invited testimony during the hearing on HB 150.

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.

ACTION NARRATIVE

[3:15:12 PM](#)

CHAIR JESSE SUMNER called the House Labor and Commerce Standing Committee meeting to order at 3:15 p.m. Representatives Prax, Carrick, Fields, Ruffridge, and Sumner were present at the call to order. Representatives Saddler and Wright arrived as the meeting was in progress.

SB 55-EXTND BDS: MEDICAL, DIRECT-ENTRY MIDWIVES

[3:16:04 PM](#)

CHAIR SUMNER announced that the first order of business would be CS FOR SENATE BILL NO. 55(FIN), "An Act extending the termination date of the Board of Certified Direct-Entry Midwives; extending the termination date of the State Medical Board; and providing for an effective date."

[3:16:25 PM](#)

SENATOR BILL WIELECHOWSKI, Alaska State Legislature, as prime sponsor of CSSB 55(FIN), explained that a legislative audit showed that the State Medical Board effectively licensed osteopaths and podiatrists, but emergency courtesy licenses for physician's assistants were handled incorrectly during the COVID-19 pandemic, which was remedied in November 2021. In July 2022, the audit suggested that the State Medical Board be extended until June 30, 2031, the maximum allowable extension under current statute. He said that the most recent audit of the Board of Certified Direct-Entry Midwives showed it to be effective in supporting public healthcare.

[3:19:15 PM](#)

REPRESENTATIVE PRAX asked whether there are two levels of midwives licensed by the state.

[3:19:38 PM](#)

MERCEDES COLBERT, Staff, Senator Bill Wielechowski, Alaska State Legislature, on behalf of Senator Wielechowski, prime sponsor of CSSB 55(FIN), deferred the question to Kris Curtis.

[3:20:07 PM](#)

KRIS CURTIS, Legislative Auditor, Division of Legislative Audit, Alaska State Legislature, answered that there is an apprentice license and a direct entry license.

[3:20:40 PM](#)

REPRESENTATIVE PRAX asked whether there is a difference in licensure between midwives birthing in homes or birthing centers.

MS. CURTIS answered that there are nurse midwives who are licensed by the Alaska Board of Nursing.

[3:21:45 PM](#)

REPRESENTATIVE CARRICK questioned the challenges for recruitment and retention of licensing staff.

MS. CURTIS answered that it is an ongoing issue across state government, causing issues in the licensure process. In response to a follow-up question, she said that she is unsure whether salary plays a role in the issue of recruitment and retention.

[3:23:38 PM](#)

CHAIR SUMNER announced that CSSB 55(FIN) was held over.

HB 91-PUBLIC EMPLOYEES' UNION DUES DEDUCTIONS

[3:24:01 PM](#)

CHAIR SUMNER announced that the next order of business would be HOUSE BILL NO. 91, "An Act relating to deduction of labor or employee organization dues or service fees from the pay of certain public employees; and providing for an effective date."

[3:24:24 PM](#)

REPRESENTATIVE KEVIN MCCABE, Alaska State Legislature, as prime sponsor, introduced HB 91. He stated that the proposed

legislation would bring Alaska in line with the U.S. Supreme Court decision, Janus v. American Federation of State, County, and Municipal Employees, Council 31, No. 16-1466, 585 U.S., (2018). He stated that the proposed legislation would ensure that public employees have full knowledge and give full consent before union dues are deducted from paychecks. He said that consent to union dues would occur on an annual basis to ensure that it does not become "stale."

[3:27:54 PM](#)

The committee took an at-ease from 3:27 p.m. to 3:28 p.m.

[3:28:4PM](#)

REPRESENTATIVE RUFFRIDGE moved to adopt the proposed committee substitute (CS) for HB 91, Version, 33-LS0499\B, Klein, [3/26/23], as a working document. There being no objection, Version B was before the committee.

[3:29:20 PM](#)

VINCENT VERNUCCIO, Senior Policy Advisor, Workers for Opportunity, provided invited testimony on Version B of HB 91. He expressed support for the proposed legislation because it would allow state employees to have a choice whether they become members of a union. He stated that the bill would give those workers knowledge of their rights and the annual opportunity to exercise them. He advised that similar bills are being passed in other states. He said that this brings the choice of whether to be a union member in line with other consumer choices, such as open enrollment in healthcare programs.

[3:32:45 PM](#)

REPRESENTATIVE FIELDS questioned the funding for the organization, Workers for Opportunity.

MR. VERNUCCIO answered that the Workers for Opportunity is a 501(c)(3) organization, meaning that the individual donors are confidential. He added that the donors are from across the country.

[3:33:51 PM](#)

MARK JANUS, representing self, stated that he was the lead plaintiff in the U.S. Supreme Court case [mentioned earlier].

He cited Justice Samuel Alito's opinion, which related that affirmative consent is required to take union dues from the paychecks of public employees. He stated that HB 91 would reinforce this idea. He added that many public employees are still unaware they have the option to resign from union membership, which the bill aims to correct. He argued that it is a First Amendment issue because union members give up those rights during the collective bargaining process.

[3:38:15 PM](#)

REPRESENTATIVE PRAX asked whether the court's decision requires public employees to be notified of their rights.

[3:38:44 PM](#)

BUDDY WHITT, Staff, Representative Kevin McCabe, Alaska State Legislature, on behalf of Representative McCabe, prime sponsor of HB 91, expressed uncertainty.

[3:39:02 PM](#)

MR. VERNUCCIO answered that Justice Samuel Alito referred to affirmative consent in his opinion, meaning that public employees would be required to be given notification.

[3:40:12 PM](#)

REPRESENTATIVE SADDLER asked what the most common objection is to this position.

MR. JANUS answered that he believes unions have strayed from their core purpose of improving working conditions and wages for members. He said that he has seen unions create new ways to keep members from understanding their rights when it comes to membership. In response to a follow-up question, he said that the U.S. Supreme Court case had resulted in a previous decision being overturned.

[3:42:57 PM](#)

REPRESENTATIVE CARRICK asked for an example of a way any union keeps its members from leaving.

MR. JANUS answered that he has heard of a case in which a union member was informed that in order to leave the union, they would be required to send a letter to a certain address with a P.O.

box, which was subsequently closed; therefore, the letter never arrived. In response to a follow-up question, he said that he does not have data showing the frequency of such occurrences.

[3:44:37 PM](#)

REPRESENTATIVE FIELDS asked where Mr. Janus is now employed.

MR. JANICE answered that he is employed by the Liberty Justice Center. He reiterated that he is speaking on behalf of himself.

[3:45:06 PM](#)

CHAIR SUMNER announced that HB 91, Version B, was held over.

[3:45:13 PM](#)

REPRESENTATIVE MCCABE noted that there would be a new fiscal note.

HB 119-MARIJUANA TAX

[3:45:26 PM](#)

CHAIR SUMNER announced that the next order of business would be HB 119, "An Act relating to marijuana taxes; and providing for an effective date."

[3:45:57 PM](#)

JESSE LOGAN, Staff, Representative Jesse Sumner, introduced HB 119, on behalf of the sponsor, House Rules by Request. He stated that Governor Mike Dunleavy created a marijuana task force the previous year to review the industry. He explained that Alaska has the highest marijuana tax rate in the U.S., resulting in industry stagnation and lost revenue. He expressed the opinion that reducing the current tax rate would allow the industry to grow. He pointed out that the proposed committee substitute (CS) would change some of the sections by deleting them or moving them to other sections.

[3:49:58 PM](#)

REPRESENTATIVE RUFFRIDGE moved to adopt the proposed committee substitute (CS) for HB 119, Version, 33-LS0636\B, Radford, 4/18/23, as a working document. There being no objection, Version B was before the committee.

[3:50:26 PM](#)

CODY RICE, Staff, Representative Cathy Tilton, on behalf of the sponsor, the House Rules Standing Committee by Request, presented a PowerPoint, titled "HB 119 Marijuana Tax" [hard copy included in the committee packet]. He began on slide 2 through slide 4 and stated that 19 states have some form of marijuana tax, the majority of which are based on price. He stated that HB 119 would create a 10 percent sales tax, with a tax ceiling of \$12.50 per ounce. He displayed two graphs comparing the types of marijuana taxes by state and the total taxation amount.

[3:52:14 PM](#)

REPRESENTATIVE FIELDS asked for the median tax rate.

MR. RICE answered that it is difficult to make a direct comparison and said that he does not have the exact number now.

[3:52:56 PM](#)

REPRESENTATIVE SADDLER asked what the net change in taxation would be.

MR. RICE answered that the nominal rate is 50 percent at the highest, while the realized rate has decreased every year.

MR. LOGAN added that it would be a 75 percent reduction. In response to a follow-up question, he said that the excise tax would be eliminated.

[3:55:01 PM](#)

REPRESENTATIVE FIELDS asked whether 10 percent or \$12.50 per ounce is a higher tax rate.

MR. RICE answered that it depends on the product mix.

[3:55:32 PM](#)

MR. RICE moved to slide 5 through slide 9 and displayed several graphs pertaining to the forecast for marijuana tax revenue. He stated that in many jurisdictions the price for marijuana has decreased over time. He said that as the product mix changes, the expected and realized tax rate has decreased. He noted that the Department of Administration has a slightly different

forecast, and the proposed legislation would result in overall higher tax revenue.

[3:58:22 PM](#)

REPRESENTATIVE SADDLER asked how many "servings" of marijuana are being sold.

MR. RICE answered that it depends on the specific blend.

[3:59:30 PM](#)

REPRESENTATIVE CARRICK asked whether the amount of marijuana consumed is expected to change.

MR. RICE answered that his model does not assume that price changes will change consumption. He explained that marijuana does not have unitary elasticity.

[4:00:18 PM](#)

REPRESENTATIVE WRIGHT asked whether lowering the price will result in more consumption.

MR. RICE answered yes, although it is not confirmed whether that increase will occur primarily because of the black-market share being reduced, or whether people are consuming more marijuana.

[4:00:59 PM](#)

REPRESENTATIVE SADDLER asked how the \$50 per ounce price was established.

MR. LOGAN answered that it was part of the initial legalization of marijuana.

[4:01:33 PM](#)

REPRESENTATIVE PRAX asked whether the model uses a tax rate that strikes a balance between maximizing revenue and reducing the black-market share.

MR. RICE answered that the model does not account for dynamic price changes. He said that the models show the same level of basic economic responses occurring with other products. In response to a follow-up question, he stated that other models

which account for these factors would be addressed later in the presentation.

[4:05:11 PM](#)

REPRESENTATIVE SADDLER asked for the current legal price per ounce.

MR. RICE answered that based on tax data, it is approximately \$260 per ounce. In response to a follow-up question, he said that this price is an average of all marijuana mixes.

[4:06:35 PM](#)

RYAN TUNSETH, President, Alaska Marijuana Industry Association, shared that he is the owner of a marijuana business, and he supports marijuana tax reform. He said that the industry is not on stable ground because of the current tax structure and improving it will lead to a reduction in the illicit market for marijuana. He noted that tax relief is needed in the state because Alaska has the highest price point for legal marijuana in the U.S. Currently, banks are not supportive of the industry because of its federal status as a controlled substance, meaning that owners have to pay taxes in person with cash; therefore, the industry strongly supports moving to a quarterly tax payment system. He said that there is also support for a tax cap to keep prices from becoming too high in certain areas and support for changing licensing to biannual renewal.

[4:12:34 PM](#)

JANA WELTZIN, Co-Chair, Governor's Advisory Task Force on Marijuana, stated that the Governor's Advisory Task Force was formed in September 2022 and was asked to look at the current tax structure, the recreational marijuana program, and opportunities for collaboration between local government and state governments. She stated that the task force created a 13-page list of recommendations, which mainly focuses on the current tax structure for marijuana. She said that currently it is possible to buy illicit marijuana for the same price as legal marijuana in taxes alone, and the result is that several marijuana cultivators have had to close. She noted that the base product is all that is being taxed, and not the parts of the plant which have the most value. She advised that the legalization of marijuana has created many jobs both directly and indirectly; therefore, it is in the interest of the state to create a favorable tax structure.

[4:18:55 PM](#)

REPRESENTATIVE CARRICK asked what impact changing the tax rate would have on consumer behavior.

MS. WELTZIN responded that if the tax is lower, and prices become competitive, less people will go to the unregulated illicit market. In response to a follow-up question, she expressed the opinion that a 10 percent tax is still too high.

[4:22:46 PM](#)

MS. WELTZIN, in response to a question from Representative Prax, expressed the opinion that the legislature does need to address this before the end of session. She continued that federal policies make a difficult situation worse, and the industry is struggling with the current tax rate.

[4:24:26 PM](#)

CHAIR SUMNER asked whether federal legalization of marijuana would be harmful to the industry in the state.

MS. WELTZIN expressed the opinion that it could potentially destroy the production aspect of the industry, but the retail market would be fine or potentially grow.

[4:26:30 PM](#)

CHAIR SUMNER announced that HB 119, Version B, was held over.

HB 150-RESIDENTIAL BUILDING CODE

[4:26:40 PM](#)

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

[4:27:08 PM](#)

The committee took an at-ease from 4:27 p.m. to 4:31 p.m.

[4:31:53 PM](#)

STEVE MENARD, Staff, Representative Jesse Sumner, on behalf of Representative Sumner, prime sponsor, explained HB 150 and provided the sectional analysis. He stated that the proposed legislation would update residential building codes. He explained that the reason for building codes, permits, and inspections is to keep homes safe, especially with the unique structural challenges the state faces, such as frequent seismic activity. He said that building codes also ensure the quality and energy efficiency of building materials used in residential construction.

[4:34:20 PM](#)

MR. MENARD began the sectional analysis, stating that Section 1 of HB 150 would update and change definitions relating to residential construction; Section 2 would add a subsection to AS 08.18.025 requiring residential contractors to comply with state residential building codes; Section 3 would define residential contractor; Sections 4 through 6 would add conforming amendments to the state building codes; Section 7 would amend the definition of state building code; Section 8 would require the Department of Commerce, Community and Economic Development (DCCED) to adopt a national building code using regulatory authority; and Section 9 would add a section subjecting contractors to the new building codes and applying the code adopted via Section 8 to new residential buildings. He said that Section 10 would add an effective date of January 1, 2024.

[4:39:07 PM](#)

REPRESENTATIVE PRAX asked whether residential contractors are currently required to follow building codes.

MR. MENARD answered there are 12 municipalities in Alaska with residential building codes, but there is not one at the state level. He stated that HB 150 would create a state residential building code which all contractors in the state would be required to follow. In response to a follow-up question, he said that financiers, such as banks, are the de facto enforcement mechanism, but creating a state residential building code would create an avenue for litigation for issues pertaining to substandard built homes.

[4:44:30 PM](#)

REPRESENTATIVE CARRICK asked whether there is a national standard that most states have adopted.

[4:45:55 PM](#)

ERIC VISSER, President, Alaska State Home Builders Association, answered yes. He said that many states adopt the International Residential Building Code (IRBC) and add their own amendments as needed.

[4:47:15 PM](#)

REPRESENTATIVE SADDLER asked what percentage of Alaskans live in a municipality which has adopted IRBC.

MR. MENARD expressed uncertainty.

[4:48:14 PM](#)

REPRESENTATIVE FIELDS asked why DCCED would be chosen to be responsible for enforcing the state residential building code if one were created.

MR. VISSER answered that each locality can create a council and vote on aspects of IRBC, and the most important part of the proposed legislation is creating a minimum standard. In response to a follow-up question, he said that DCCED's involvement would keep the industry involved with the process.

[4:51:59 PM](#)

DAVID OWENS, Alaska State Home Builders Association, stated that the Alaska State Home Builders Association has been working on similar legislation for several years, and he expressed the opinion that Alaska is overdue for state residential building codes.

[4:53:01 PM](#)

REPRESENTATIVE FIELDS asked whether the building codes would account for energy efficiency.

MR. OWENS answered that the Alaska Housing Finance Corporation has a section of standards pertaining to energy efficiency.

[4:54:31 PM](#)

REPRESENTATIVE SADDLER asked how home prices would be affected by creating a state residential building code.

MR. OWENS expressed uncertainty; however, he stated that building a home to a higher standard would save money versus having to regularly repair a home built to a lower standard.

MR. MENARD added that the bill would not require individuals who build their own homes to adhere to the building code.

[4:57:00 PM](#)

REPRESENTATIVE CARRICK asked whether offering the contractor examination once per year is frequent enough.

CHAIR SUMNER answered that the bill requires a minimum of once per year, although in practice there could be more.

[4:58:19 PM](#)

CHAIR SUMNER announced that HB 150 was held over.

HB 149-NURSING: LICENSURE; MULTISTATE COMPACT

[4:58:27 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."

[4:59:20 PM](#)

REPRESENTATIVE CARRICK moved to adopt Amendment 1 to HB 149, labeled 33-LS0447\S.4, Bergerud, 4/17/23, which read as follows:

Page 6, line 11, following "AS 08.68.500":

Insert ";

(13) submit a report to the legislature if the board determines that the requirements for a multistate license or multistate licensure privilege under the Multistate Nurse Licensure Compact do not meet or exceed the requirements for a license to practice registered nursing or practical nursing in this state under AS 08.68.170(a) or (b); the board shall submit the report to the senate secretary and the chief clerk of the house of representatives and notify the legislature that the report is available within 30 days after making the determination"

REPRESENTATIVE FIELDS objected for the purpose of discussion.

[4:59:41 PM](#)

REPRESENTATIVE CARRICK explained that Amendment 1 would require the Board of Nursing to report to the legislature if the terms of the Nurse Licensure Compact (NLC) do not meet or exceed licensure requirements in the state. She expressed concern that automatic withdrawal from the compact in such a case would be a violation of the compact.

[5:01:43 PM](#)

REPRESENTATIVE PRAX expressed the opinion that the amendment is unnecessary because the state would have the ability to leave NLC at any time.

[5:02:31 PM](#)

SYLVAN ROBB, Director, Division of Corporations, Business, and Professional Licensing, Department of Commerce, Community, and Economic Development, stated that changes to NLC would not take place until the state adopts changes, giving the state the opportunity to leave the compact simply by not adopting the changes made to the compact.

[5:03:33 PM](#)

REPRESENTATIVE CARRICK expressed concern about the Alaska Board of Nursing's ability to make changes to licensure requirements, and in such a case a report would be valuable.

[5:04:25 PM](#)

REPRESENTATIVE FIELDS withdrew his objection.

[5:04:31 PM](#)

REPRESENTATIVE RUFFRIDGE objected.

A roll call vote was taken. Representatives Carrick, Fields, Saddler, and Sumner voted in favor of Amendment 1 to HB 149. Representatives Prax, Wright, and Ruffridge voted against it. Therefore, Amendment 1 was adopted by a vote of 4-3.

[5:05:53 PM](#)

REPRESENTATIVE FIELDS stated that he would not offer Amendment 2 and Amendment 3 to HB 149.

[5:06:42 PM](#)

REPRESENTATIVE FIELDS moved to adopt Amendment 4 to HB 149, as amended, labeled, 33-LS0447\S.10, Wallace/Bergerud, 4/19/23, which read as follows:

Page 35, following line 18:

Insert a new bill section to read:

"* **Sec. 30.** AS 47.32 is amended by adding a new section to read:

Sec. 47.32.210. Restrictions on hiring during a nursing strike. (a) Upon receiving a notice to strike involving nurses, and during a strike involving nurses, an entity may only hire a nurse who

(1) is licensed to practice in the state under this chapter; or

(2) was employed in the state under a multistate licensure privilege on the day before the entity received the notice to strike.

(b) After withdrawal of a notice to strike involving nurses, or upon conclusion of a strike involving nurses, an entity may resume hiring nurses holding a multistate licensure privilege under this chapter."

Re-number the following bill sections accordingly.

Page 37, line 12:

Delete "Section 36"

Insert "Section 37"

Page 37, line 13:

Delete "sec. 37"

Insert "sec. 38"

REPRESENTATIVE SADDLER objected for the purpose of discussion.

[5:06:48 PM](#)

REPRESENTATIVE FIELDS explained that Amendment 4 would restrict the ability of health care facilities to use the compact to bring more employees in the event of a strike. The amendment would not prevent nurses from coming to Alaska to work for other

employees during a strike. He expressed the belief that nurse burnout is one of the greatest reasons for the nursing shortage, and allowing the compact to be used for strike-breaking purposes would potentially worsen the problem.

[5:09:18 PM](#)

REPRESENTATIVE PRAX commented that, in the case of a nursing strike, there are federal regulations which already address this in regard to guaranteed care for patients. He stated that both the National Council of State Boards of Nursing and Legislative Legal Services have sent memos warning that the amendment could potentially place Alaska in violation of NLC terms. He added that he was unable to think of a time in which a nursing strike occurred in Alaska.

REPRESENTATIVE FIELDS responded that Legislative Legal Services informed him that the idea is theoretical whether the amendment would violate the terms of the compact.

[5:11:56 PM](#)

CHAIR SUMNER expressed the opinion that wholesale importation of nurses may not be good for the state in the event of a strike and the amendment is oblique enough to not violate the terms of NLC.

[5:13:02 PM](#)

REPRESENTATIVE PRAX asked whether the amendment would offer language unique to nursing.

MS. ROBB answered that she is unaware of any other profession having such language regarding strikes. She emphasized that NLC is a contract between states, and for this reason, the amendment could be considered a violation. She advised that the inability to change NLC from state to state is what makes it strong.

[5:15:10 PM](#)

REPRESENTATIVE SADDLER expressed the opinion that the amendment would be contrary to the purpose of the bill because it would treat out-of-state nurses differently.

REPRESENTATIVE CARRICK responded that the proposed legislation is meant to allow nurses to work in a more reasonable timeline, not import nurses in the event of a strike.

[5:16:34 PM](#)

A roll call vote was taken. Representatives Carrick, Fields, and Sumner voted in favor of Amendment 4 to HB 149. Representatives Prax, Ruffridge, Saddler, and Wright voted against it. Therefore, Amendment 4 failed by a vote of 3-4.

[5:17:24 PM](#)

CHAIR SUMNER announced that HB 149, as amended, was held over.

[5:17:33 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at 5:17 p.m.