

ALASKA STATE LEGISLATURE
HOUSE LABOR AND COMMERCE STANDING COMMITTEE

April 1, 2024

3:16 p.m.

DRAFT

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

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 298

"An Act relating to the posting of warning signs for alcoholic beverages."

- 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

PREVIOUS COMMITTEE ACTION

BILL: HB 298

SHORT TITLE: ALCOHOL WARNING SIGNS ON LIC. PREMISES

SPONSOR(S): REPRESENTATIVE(S) GRAY

01/29/24	(H)	READ THE FIRST TIME - REFERRALS
01/29/24	(H)	HSS, L&C
01/31/24	(H)	SPONSOR SUBSTITUTE INTRODUCED
01/31/24	(H)	READ THE FIRST TIME - REFERRALS
01/31/24	(H)	HSS, L&C

03/12/24 (H) HSS AT 3:00 PM DAVIS 106
03/12/24 (H) Heard & Held
03/12/24 (H) MINUTE(HSS)
03/21/24 (H) HSS AT 3:00 PM DAVIS 106
03/21/24 (H) Moved CSSSHB 298(HSS) Out of Committee
03/21/24 (H) MINUTE(HSS)
03/25/24 (H) HSS RPT CS(HSS) 2DP 5NR
03/25/24 (H) DP: MCCORMICK, MINA
03/25/24 (H) NR: FIELDS, SUMNER, RUFFRIDGE, SADDLER,
PRAX
04/01/24 (H) L&C AT 3:15 PM BARNES 124

BILL: HB 150

SHORT TITLE: RESIDENTIAL BUILDING CODE

SPONSOR(S): REPRESENTATIVE(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
04/26/23 (H) Heard & Held
04/26/23 (H) MINUTE(L&C)
03/11/24 (H) L&C AT 3:15 PM BARNES 124
03/11/24 (H) Scheduled but Not Heard
03/18/24 (H) L&C AT 3:15 PM BARNES 124
03/18/24 (H) -- MEETING CANCELED --
03/20/24 (H) L&C AT 3:15 PM BARNES 124
03/20/24 (H) Scheduled but Not Heard
03/21/24 (H) L&C AT 10:30 AM BARNES 124
03/21/24 (H) -- MEETING CANCELED --
03/22/24 (H) L&C AT 3:15 PM BARNES 124
03/22/24 (H) Heard & Held
03/22/24 (H) MINUTE(L&C)
04/01/24 (H) L&C AT 3:15 PM BARNES 124

WITNESS REGISTER

REPRESENTATIVE ANDREW GRAY

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: As prime sponsor, introduced and read the sponsor statement for HB 298.

DAVID SONG, Staff
Representative Andrew Gray
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: On behalf of Representative Gray, prime sponsor, presented HB 298.

JOAN WILSON, Director
Alcohol and Marijuana Control Office
Anchorage, Alaska

POSITION STATEMENT: Answered committee questions on HB 298.

TIM NAIMI, M.D.
Brookline, Massachusetts

POSITION STATEMENT: Answered committee members' questions on HB 298.

THOMAS GREMILLION, Director
Food Policy, Consumer Federation of America
Washington, District of Columbia

POSITION STATEMENT: Gave invited testimony on HB 298.

TIFFANY HALL, Chief Executive Officer
Recover Alaska
Anchorage, Alaska

POSITION STATEMENT: Gave invited testimony on HB 298.

ERIC VISSER, Past President
Alaska Home Builders Association
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 150.

DAVID BUNTS, President
Alaska Home Builders Association
Sterling, Alaska

POSITION STATEMENT: Testified in support of HB 150.

ACTION NARRATIVE

[3:16:46 PM](#)

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

^#hb298

HB 298-ALCOHOL WARNING SIGNS ON LIC. PREMISES

3:17:24 PM

CHAIR SUMNER announced that the first order of business would be CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 298(HSS), "An Act relating to the posting of warning signs for alcoholic beverages."

3:17:39 PM

REPRESENTATIVE ANDREW GRAY, Alaska State Legislature, as prime sponsor, read the sponsor statement for HB 298 [included in committee packet], which read as follows [original punctuation provided]:

The Alcoholic Beverages and Cancer Act will inform Alaskans that alcohol use can cause cancer, including colon and breast cancers. There has been a broad scientific consensus for decades that the consumption of alcohol significantly increases the risk of several types of cancer. This relationship between alcohol and cancer was first documented by the World Health Organization in 1987. Alcohol-related cancers affect tens of thousands of Americans each year. Alcohol is noted to be the third-highest modifiable risk factor for cancer in women, and the fourth-highest modifiable risk factor for cancer in men. However, despite this long-standing scientific consensus, there has not been an accompanying change in public perception about the risks associated with alcohol consumption.

Public perception about alcohol consumption is skewed - some surveys from the National Institutes of Health even indicate that 10% of adults believe alcohol consumption decreases risk for cancer, even though for some types of cancer, even small amounts of alcohol can increase risk.

House Bill 298 addresses this gap in public health knowledge by changing the text on one of the required warning signs at the point-of-sale for alcohol. The new sign states: "Alcohol use can cause cancer, including breast and colon cancers." This has precedent in some US states, as well as in other countries around the world. South Korea requires

cancer warning labels on alcoholic drink containers, and Ireland passed legislation in 2023 requiring cancer and liver disease warning labels on alcoholic drink packaging.

This legislation does not restrict Alaskans' ability to buy or consume alcohol but provides an easy, low-cost way for Alaskans to make informed decisions about alcohol consumption prior to purchase. House Bill 298 is an effective and simple bill that will improve public health awareness. I urge your support.

[3:20:57 PM](#)

DAVID SONG, Staff, Representative Andrew Gray, Alaska State Legislature, On behalf of Representative Gray, prime sponsor, presented HB 298. He began by reading the sectional analysis for HB 298 [included in committee packet], which read as follows [original punctuation provided]:

Section 1: Amends AS 04.21.065(b) to require that vendors of alcohol replace their sign that reads:

"WARNING: Drinking alcoholic beverages such as beer, wine, wine coolers, and distilled spirits or smoking cigarettes during pregnancy can cause birth defects."

with a new sign that reads:

"WARNING: Alcohol use during pregnancy can cause birth defects. Alcohol use can cause cancer, including breast and colon cancers."

MR. SONG detailed the summary of changes [included in committee packet] made from HB 298, Version S to HB 298, Version U, which read as follows [original punctuation provided]:

HB 298 Summary of Changes
Ver. S to Ver. U

The following changes were added in the House Health and Social Services Committee:

Section 1: Amends AS 04.21.065(a) to change the total number of warning signs vendors of alcohol are required to display on their premises from three to two.

Section 2: Amends AS 04.21.065(b) to consolidate two currently required alcohol warning signs

into one sign.

Currently, one sign reads:

WARNING: A person who provides alcoholic beverages to a person under 21 years of age, if convicted under AS 04.16.051, could be imprisoned for up to five years and fined up to \$50,000.

and the other reads:

WARNING: An unaccompanied person under 21 years of age who enters these premises in violation of law may, under AS 04.16.049(e), be civilly liable for damages of \$1,500.

These two signs will be consolidated into one sign reading:

WARNING: An unaccompanied person under 21 years of age who enters these premises in violation of law may, under AS 04.16.049(e), be civilly liable for damages of \$1,500. A person who provides alcoholic beverages to a person under 21 years of age, if convicted under AS 04.16.051, could be imprisoned for up to five years and fined up to \$50,000.

[3:22:46 PM](#)

MR. SONG began the associated PowerPoint presentation on HB 298 [hardcopy included in committee packet]. He began on slide 2, which gave background information to the link between alcohol and cancer. He cited a 2017 Surgeon General's report that claimed even a moderate amount of drinking increases someone's risk for breast cancer and added that alcohol is the third-highest modifiable cancer risk factor.

[3:23:36 PM](#)

MR. SONG proceeded to slide 3, which provided the World Health Organization (WHO)'s data on cancers attributable to alcohol consumption. He said according to the WHO, at least 60,000 cases of cancer in 2020 were attributed to alcohol consumption in America.

[3:24:15 PM](#)

MR. SONG moved to slide 4 to detail the information gap around liquor consumption and the fact that alcohol is a carcinogen. He continued to slide 5 to explain what HB 298 would do if put into law and went on to slide 6 to show examples of warning labels in other countries, which he said HB 298 is trying to emulate.

[3:26:00 PM](#)

MR. SONG concluded the presentation on slide 7. He said HB 298 would be an effective way to reduce the information gap surrounding alcohol and would cost the state or alcohol-selling businesses next to nothing.

[3:26:51 PM](#)

REPRESENTATIVE FIELDS asked Joan Wilson about the associated fiscal note to HB 298.

[3:27:26 PM](#)

JOAN WILSON, Director, Alcohol and Marijuana Control Office, answered that the cost of two new signs across the state is near a total of \$20,000, and she explained that the remote nature of shipping in Alaska carries an expected cost of \$5,000 extra for postage.

[3:28:43 PM](#)

REPRESENTATIVE CARRICK asked if the proposed bill's signs are something that the Alcoholic Beverage Control Board (ABC) could require through regulation or whether this issue would have to be a statutory change.

REPRESENTATIVE GRAY responded that often there are things that could be done by an associated board or regulatory body, but the legislature helps to give statutory guidance.

MS. WILSON added that the ABC Board is not able to make any changes to alcohol signage as Alaska law currently read and would need statutory change to put up new signs.

[3:30:01 PM](#)

REPRESENTATIVE SADDLER clarified Mr. Song's earlier remarks about a connection linking alcohol and cancer and asked that if there has been a link between the two for decades, why more people don't know about it.

REPRESENTATIVE GRAY deferred the question to the invited testifiers.

[3:31:26 PM](#)

TIM NAIMI, M.D., in responding to Representative Saddler's question, answered that people aren't aware of the link between alcohol and cancer because there hasn't been enough popular awareness and signage drawing comparison to the awareness surrounding tobacco and its warning labels. He explained that alcohol is classified as a class 1 carcinogen because it unequivocally causes cancer. He said the purpose of HB 298 should be to keep people informed so they can make decisions for themselves. He said there is more warning labelling for cigarettes than alcohol, and that it is a commonsense effort to let people be aware of the health risks associated with alcohol.

[3:35:14 PM](#)

REPRESENTATIVE SADDLER asked when alcohol was first classified as a class 1 carcinogen.

DR. NAIMI said it was first classified in the 1980s.

[3:36:00 PM](#)

THOMAS GREMILLION, Director, Food Policy, Consumer Federation of America, gave invited testimony on HB 298. He gave context to his interest in cancer warning signs with alcohol and said fewer than half of consumers see alcohol as a cancer threat. He said that current warnings of alcohol aren't effective and offered support for updating warning labels on alcohol. He touched on the belief that small amounts of drinking may show benefits and said that the cancer risk in the long term outweighs the potential benefits of alcohol. He cited evidence that reduced alcohol sales translate to less domestic abuse and stressed that point-of-sale warning signs are attributed to lower drinking during pregnancy. He urged passage of HB 298.

[3:41:01 PM](#)

REPRESENTATIVE SADDLER asked how much alcohol is sold in bars versus retail sales.

MR. GREMILLION said he did not know at this time.

[3:41:39 PM](#)

TIFFANY HALL, Chief Executive Officer, Recover Alaska, gave invited testimony in support of HB 298. She said cancer is the leading cause of death in Alaska, and alcohol is the third

leading modifiable cause of cancer related to 9 of the top 10 causes of death in Alaska. She opined that the signage proposed under HB 298 would save lives in Alaska. She pointed out that less than half the population knows that alcohol causes cancer, and this fact is not even well-known among medical professionals. She stressed that knowledge is power. She said alcohol is different from other commodities because it is addictive and is a class 1 carcinogen. She emphasized that HB 298 would not restrict alcohol sales in any way, that it is about freedom of information. She noted the low cost reflected in the fiscal note, and she encouraged a robust campaign to correlate with the sign change. Ms. Hall reported that taxpayers are losing money on alcohol, which brings in \$111 million a year but costs Alaska \$2.4 billion in healthcare costs, absenteeism from work, and "lost productivity from early death." She concluded her remarks by saying that cancer is one of the many related harms of alcohol, and reduced consumption will always lower the rate of [all] harms caused by alcohol.

[3:45:16 PM](#)

REPRESENTATIVE SADDLER cited alcohol in Alaska's previously mentioned revenue of \$111 million and its cost of \$2.4 billion, asking if the \$111 million was based solely on taxation.

MS. HALL responded that \$40 million of the \$111 million figure is taxation, and almost \$72 million is from private sector job wages, and clarified that the numbers came from a 2018 study. In response to follow-up questions, she answered that alcohol contributes to cancer, heart disease, accidents, strokes, suicides, and liver disease. She said she would follow up on whether or not there was a link between diabetes and Alzheimer's disease.

[3:47:19 PM](#)

CHAIR SUMNER asked for information regarding the link between alcohol consumption and COVID-19.

[3:47:49 PM](#)

DR. NAIMI, confirmed there is a strong relationship between alcohol and COVID-19. He asserted that those who drink more are more susceptible to COVID-19. He said that one reason for alcohol being linked with COVID-19 is because it brought people together, which allowed the disease to spread. He clarified Ms.

Hall's earlier remarks, saying that alcohol is a cause of dementia and diabetes.

[3:49:30 PM](#)

REPRESENTATIVE CARRICK emphasized that alcohol is the third highest modifiable cancer risk factor and postulated that the first is smoking and the second is excess weight.

[3:50:23 PM](#)

DR. NAIMI said there is plausible connection between alcohol and cancer, though not every case of cancer is directly correlated to alcohol consumption. He said people who are drinking more are at a higher risk to have an alcohol-induced cancer.

[3:51:20 PM](#)⁶

CHAIR SUMNER announced HB 298 was held over.

#

[3:51:27 PM](#)

The committee took an at-ease from 3:51 p.m. to 3:56 p.m.

^#hb150

HB 150-RESIDENTIAL BUILDING CODE

[3:56:21 PM](#)

CHAIR SUMNER announced that the final 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."

[3:56:30 PM](#)

CHAIR SUMNER opened public testimony on HB 150.

[3:56:50 PM](#)

ERIC VISSER, Past President, Alaska Home Builders Association, testified in support of HB 150. He said that establishing a statewide code has been a goal for a while and HB 150 is the best way to do that. He said the bill strikes a balance between personal freedom and regulation in the construction industry. He pointed out that HB 150 would establish an Alaska state building

code council, which would be comprised of 11 public members, 6 of them being required to have residential endorsements. He said the council established by HB 150 would be the best way to review updates to national code, create local amendments, and prioritize safety and locality in the development of building codes.

[3:58:45 PM](#)

REPRESENTATIVE FIELDS asked if it is possible to quantify what adoption of HB 150 would mean in terms of expenses to homes that meet building codes and homes that don't meet building codes.

MR. VISSER answered that cost modeling is done at the national level and cited certain differences between 2020 building code and 2021 building code is a 5 percent increase in energy efficiency. He said that Alaska Housing Finance Corporation (AHFC) would be the organization that would adopt any new codes established by HB 150.

[4:00:02 PM](#)

REPRESENTATIVE SADDLER asked Mr. Visser to give a general overview of building codes in Alaska.

MR. VISSER responded that there are no residential building codes. In response to follow-up questions, he advised that there is no state-adopted building code, which is what HB 150 would establish. He said a municipality can adopt their own building codes, but there is not yet currently a statewide code. He noted that the Municipality of Anchorage is currently operating under the 2018 International Residential Code (IRC).

[4:02:22 PM](#)

DAVID BUNTS, President, Alaska Home Builders Association, testified in support of HB 150. He urged members to pass HB 150 and explained the history of residential code and contractor's requirements to operate in Alaska. He said HB 150 would protect the consumer and the contractor.

[4:03:40 PM](#)

CHAIR SUMNER, after ascertaining there was no one else who wished to testify, closed public testimony on HB 150.

[HB 150 was held over.]

4:03:57 PM

ADJOURNMENT

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at 4:04 p.m.