

ALASKA STATE LEGISLATURE
HOUSE STATE AFFAIRS STANDING COMMITTEE

April 30, 2024

3:04 p.m.

MEMBERS PRESENT

Representative Laddie Shaw, Chair
Representative Stanley Wright, Vice Chair
Representative Ben Carpenter
Representative Craig Johnson
Representative Jamie Allard
Representative Andi Story

MEMBERS ABSENT

Representative Ashley Carrick

COMMITTEE CALENDAR

HOUSE BILL NO. 362

"An Act relating to the reimbursement rate for prisoner medical care."

- MOVED HB 362 OUT OF COMMITTEE

HOUSE BILL NO. 397

"An Act relating to eliminating vacant positions in the classified and partially exempt service of the state; and providing for an effective date."

- MOVED CSHB 397(STA) OUT OF COMMITTEE

HOUSE BILL NO. 293

"An Act relating to the registration and titling of vehicles; relating to electronic registration and titling; relating to the powers of the commissioner of administration with respect to motor vehicles; relating to the transfer of vehicles; relating to motor vehicle liability insurance; relating to non-domiciled commercial driver's licenses and non-domiciled commercial learner's permits; and providing for an effective date."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 362

SHORT TITLE: PRISONER MED CARE MEDICAID REIMBURSEMENT
SPONSOR(s): REPRESENTATIVE(s) PRAX

02/20/24 (H) READ THE FIRST TIME - REFERRALS
02/20/24 (H) STA
04/09/24 (H) STA AT 3:00 PM GRUENBERG 120
04/09/24 (H) -- Rescheduled to 04/11/24 --
04/11/24 (H) STA AT 3:00 PM GRUENBERG 120
04/11/24 (H) -- MEETING CANCELED --
04/16/24 (H) STA AT 3:00 PM GRUENBERG 120
04/16/24 (H) Heard & Held
04/16/24 (H) MINUTE(STA)
04/30/24 (H) STA AT 3:00 PM GRUENBERG 120

BILL: HB 397

SHORT TITLE: ELIMINATE VACANT STATE POSITIONS
SPONSOR(s): STATE AFFAIRS

04/11/24 (H) READ THE FIRST TIME - REFERRALS
04/11/24 (H) STA
04/18/24 (H) STA AT 3:00 PM GRUENBERG 120
04/18/24 (H) -- MEETING CANCELED --
04/23/24 (H) STA AT 3:00 PM GRUENBERG 120
04/23/24 (H) Heard & Held
04/23/24 (H) MINUTE(STA)
04/30/24 (H) STA AT 3:00 PM GRUENBERG 120

BILL: HB 293

SHORT TITLE: VEHICLES:REGISTER;TRANSFER; INS.; LICENSE
SPONSOR(s): RULES BY REQUEST OF THE GOVERNOR

01/26/24 (H) READ THE FIRST TIME - REFERRALS
01/26/24 (H) STA, FIN
04/18/24 (H) STA AT 3:00 PM GRUENBERG 120
04/18/24 (H) -- MEETING CANCELED --
04/23/24 (H) STA AT 3:00 PM GRUENBERG 120
04/23/24 (H) <Bill Hearing Canceled>
04/30/24 (H) STA AT 3:00 PM GRUENBERG 120
04/30/24 (S) STA AT 3:30 PM BELTZ 105 (TSBldg)

WITNESS REGISTER

ERIC CORDERO, Staff
Representative Mike Prax
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Reviewed HB 362 on behalf of Representative Prax, prime sponsor.

TERI WEST, Director
Administrative Services
Department of Corrections
Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on HB 362.

APRIL WILKERSON, Deputy Commissioner
Department of Corrections
Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on HB 362.

JEFFREY SCHMITZ, Director
Division of Motor Vehicles
Department of Administration
Juneau, Alaska

POSITION STATEMENT: Presented HB 293 to the committee on behalf of the bill sponsor, House Rules by request of the governor.

ADAM WEINER, Executive Director
Department of Labor & Workforce Development
Juneau, Alaska

POSITION STATEMENT: Testified in support of HB 293.

ZORI OPANASEVYCH, Director
New Chance, Inc.
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 293.

JOEY CRUM, President and CEO
Northern Industrial Training
Palmer, Alaska

POSITION STATEMENT: Spoke about supporting non-domiciled issues during the hearing on HB 293.

TETYANA ROBBINS, Executive Director
Project Alaska
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 293.

ACTION NARRATIVE

[3:04:05 PM](#)

CHAIR SHAW called the House State Affairs Standing Committee meeting to order at 3:04 p.m. Representatives Wright, Allard, Carpenter, Story, and Shaw were present at the call to order. Representatives C. Johnson arrived as the meeting was in progress.

HB 362-PRISONER MED CARE MEDICAID REIMBURSEMENT

[3:05:07 PM](#)

CHAIR SHAW announced that the first order of business would be HOUSE BILL NO. 362, "An Act relating to the reimbursement rate for prisoner medical care."

[3:05:38 PM](#)

ERIC CORDERO, Staff, Representative Mike Prax, Alaska State Legislature, reviewed HB 362 on behalf of Representative Prax, prime sponsor. He explained that HB 362 would establish a rate for the Department of Corrections (DOC) to negotiate with healthcare providers, similar to the rate established by Title 19 of current Alaska Statute. He said HB 362 would give the commissioner of DOC discretion in cases where there is no provider available or when a prisoner requires specialist medical care.

[3:07:07 PM](#)

REPRESENTATIVE STORY asked who was currently establishing healthcare rates for DOC.

[3:07:40 PM](#)

TERI WEST, Director, Administrative Services, Department of Corrections, addressed Representative Story and said that healthcare providers are responsible for establishing the rates that DOC must pay.

REPRESENTATIVE STORY asked who provided care to the prisoners.

MS. WEST answered that DOC would send the offender to the local hospital.

[3:09:23 PM](#)

APRIL WILKERSON, Deputy Commissioner, Department of Corrections, added that DOC works diligently with any provider that is willing to provide services to the department; sometimes there are cases where the provider is unwilling to offer a discount for their services to DOC, in which case the department must pay full value for the services. She said that HB 362 would limit the price that healthcare providers may charge DOC.

REPRESENTATIVE STORY shared her concern that DOC did not have a going rate for the cost of healthcare services.

COMMISSIONER WILKERSON responded that DOC analyzes where services are needed and necessary.

REPRESENTATIVE STORY commented that Alaska is unique in its logistical challenges to deliver healthcare to a patient.

[3:12:40 PM](#)

REPRESENTATIVE CARPENTER asked how to negotiate a different price if the provider can only bill a patient or customer at the current Medicare rate.

COMMISSIONER WILKERSON replied that when Medicaid expansion was first implemented, there were issues with providers being unwilling to provide services, and DOC does have the ability to negotiate a rate better than Medicaid if necessary. She shared her belief that HB 362 would not affect the number of providers as was done when Medicaid was expanded.

[3:16:06 PM](#)

MR. CORDERO thanked the committee for hearing HB 362.

[3:16:16 PM](#)

REPRESENTATIVE WRIGHT moved to report HB 362 out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, HB 362 was reported out of the House State Affairs Standing Committee.

[3:16:34 PM](#)

The committee took an at-ease from 3:16 p.m. to 3:20 p.m.

HB 397-ELIMINATE VACANT STATE POSITIONS

[3:20:51 PM](#)

CHAIR SHAW announced that the next order of business would be HOUSE BILL NO. 397, "An Act relating to eliminating vacant positions in the classified and partially exempt service of the state; and providing for an effective date."

[3:21:13 PM](#)

CHAIR SHAW opened public testimony on HB 397. After ascertaining that there was no one who wished to testify, he closed public testimony.

[3:21:30 PM](#)

CHAIR SHAW announced that the committee would be hearing proposed amendments to HB 397.

[3:21:54 PM](#)

REPRESENTATIVE STORY moved to adopt Amendment 1 to HB 397, labeled 33-LS1551\A.2, A. Radford, 4/25/24, which read as follows:

Page 1, line 5, following "each":
Insert "odd-numbered"

Page 1, line 7:
Delete "364-day"
Insert "728-day"

Page 1, line 12:
Delete "364-day"
Insert "728-day"

Page 1, line 13:
Delete "364-day"
Insert "728-day"

Page 2, line 4:
Delete "2024"
Insert "2025"

REPRESENTATIVE WRIGHT objected for the purpose of discussion.

REPRESENTATIVE STORY explained that Amendment 1 would extend the amount of time that a state position could remain vacant before it would be eliminated.

[3:23:01 PM](#)

REPRESENTATIVE CARPENTER said he supported lines 1-14 of Amendment 1 and moved Conceptual Amendment 1 to Amendment 1 to delete lines 16-18 of Amendment 1.

[3:23:31 PM](#)

There being no objection, Conceptual Amendment 1 to Amendment 1 was adopted.

[3:24:05 PM](#)

The committee took a brief at-ease at 3:24 p.m.

[3:24:43 PM](#)

REPRESENTATIVE WRIGHT removed his objection to Amendment 1, as amended. There being no further objection, Amendment 1, as amended, was adopted.

[3:24:56 PM](#)

REPRESENTATIVE STORY said that she would not offer Amendment 2.

[3:25:12 PM](#)

REPRESENTATIVE STORY moved to adopt Amendment 3 to HB 397, labeled 33-LS1551\A.1, A. Radford, 4/25/24, which read as follows:

Page 1, line 1:
Delete "**eliminating**"

Page 1, line 5:
Delete "**Elimination of**"
Insert "**Report on**"

Page 1, line 6:
Delete "eliminate a position"
Insert "submit a report to the Legislative Budget and Audit Committee identifying all positions"

Page 1, line 7:
Delete "has"
Insert "have"

Page 2, lines 2 - 4:
Delete all material.

Renumber the following bill section accordingly.

REPRESENTATIVE WRIGHT objected for the purpose of discussion.

REPRESENTATIVE STORY explained that Amendment 3 would remove language eliminating state positions that have been vacant for a year and instead require the Division of Personnel to provide a report each year listing positions that have been vacant.

[3:26:05 PM](#)

REPRESENTATIVE CARPENTER said he is not in favor of Amendment 3 and explained that he would be more willing to converse about Amendment 4 [not yet offered].

REPRESENTATIVE STORY explained that the reason she thought a report could be an important first step to eliminating vacant state positions was because it would alleviate costs associated with the elimination of state positions.

[3:27:18 PM](#)

REPRESENTATIVE WRIGHT maintained his objection.

[3:27:20 PM](#)

A roll call vote was taken. Representative Story voted in favor of Amendment 3 to HB 397. Representatives Carpenter, Allard, Wright, and Shaw voted against it. Therefore, Amendment 3 failed to be adopted by a vote of 1-4.

[3:28:02 PM](#)

REPRESENTATIVE STORY moved to adopt Amendment 4 to HB 397, labeled 33-LS1551\A.4, A. Radford, 4/25/24, which read as follows:

Page 1, line 2:
Delete "**eliminating**"

Page 1, line 5:

Delete "**positions.**"

Insert "**positions; report.** (a)"

Page 2, following line 1:

Insert a new subsection to read:

"(b) The director of personnel shall prepare an annual report with an explanation of how funding provided for each position that has been vacant for the 364-day period immediately preceding June 30 was spent. The director of personnel 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."

REPRESENTATIVE WRIGHT objected for the purpose of discussion.

REPRESENTATIVE STORY said that Amendment 4 is similar to Amendment 3 but there would be more specific instructions to the director or personnel.

[3:28:26 PM](#)

REPRESENTATIVE CARPENTER commented that he is not opposed to Amendment 4 as he understands it and said that the legislation needs to detail when the report to the Division of Personnel is due and change its due date to the end of each year.

[3:29:51 PM](#)

REPRESENTATIVE CARPENTER moved to adopt Conceptual Amendment 1 to Amendment 4, to insert the words "by December 31st each year" after "report" on line 10, as numbered on Amendment 4. He further clarified the roles of the Office of the Senate Secretary and the Office of the Chief Clerk in the Alaska State Legislature in relation to receipt of the report. [No objection was stated and the committee treated Conceptual Amendment 1 to Amendment 4 as adopted.]

[3:30:58 PM](#)

The committee took an at-ease from 3:30 p.m. to 3:31 p.m.

[3:31:35 PM](#)

REPRESENTATIVE WRIGHT removed his objection to Amendment 4, as amended. There being no further objection, Amendment 4, as amended, was adopted.

[3:32:48 PM](#)

REPRESENTATIVE WRIGHT moved to report HB 397, as amended, out of committee with individual recommendations and the accompanying zero fiscal note. There being no objection, CSHB 397(STA) was reported out of the House State Affairs Standing Committee.

HB 293-VEHICLES:REGISTER;TRANSFER; INS.; LICENSE

[3:33:19 PM](#)

CHAIR SHAW announced that the final order of business would be HOUSE BILL NO. 293, "An Act relating to the registration and titling of vehicles; relating to electronic registration and titling; relating to the powers of the commissioner of administration with respect to motor vehicles; relating to the transfer of vehicles; relating to motor vehicle liability insurance; relating to non-domiciled commercial driver's licenses and non-domiciled commercial learner's permits; and providing for an effective date."

[3:34:25 PM](#)

JEFFREY SCHMITZ, Director, Division of Motor Vehicles, Department of Administration, presented HB 293 to the committee on behalf of the bill sponsor, House Rules by request of the governor. He said that the proposed legislation was meant to focus on modernization of the Division of Motor Vehicles (DMV). He explained how the changes that would be made under HB 293 would allow the DMV to implement electronic vehicle titling/registration, non-domicile learner's permits, the repeal of a "long shuttered" vehicle inspection program, cleanup of ambiguous or contradictory statutes, clarification of registration requirements, and new language requiring that the DMV rebuke crash reports and request proof of insurance from all parties involved in said crash reports. He said that these changes would "enhance organizational efficiency, remove barriers to modernization of DMV systems across the state, ensure that the DMV's communications and practice remain clear and relevant in state and national context, and ease governmental burden on Alaskans."

[3:37:06 PM](#)

REPRESENTATIVE WRIGHT inquired whether the Federal Government currently allowed for legally non-domicile individuals to be issued a regular or commercial driver's license (CDL).

MR. SCHMITZ confirmed that was correct.

REPRESENTATIVE WRIGHT asked if Alaska had a reciprocal CDL agreement with any other states.

MR. SCHMITZ said that Alaska is a member of the Driver's License Compact in accordance with AS 28.37.010. He expounded on individuals who were issued non-domicile CDLs from other states and how it related to Alaska. He further stated that HB 293 would not allow for illegal immigrants to receive driver's licenses or CDLs.

[3:40:48 PM](#)

REPRESENTATIVE ALLARD asked why the DMV currently requires women to provide a birth certificate in addition to a marriage license to change their name.

MR. SCHMITZ responded that the DMV requires both men and women to provide both a birth certificate and marriage license to give the DMV proof of identity.

REPRESENTATIVE ALLARD further questioned why she would have to verify her maiden name with a birth certificate and marriage license after she'd already done it once.

MR. SCMITZ said he is unsure that the DMV requires someone to show proof of their name each time they visit.

[3:43:57 PM](#)

REPRESENTATIVE CARPENTER asked whether a person who was issued a non-domicile CDL would be allowed to operate under a reciprocal agreement in Alaska if HB 293 were not to pass the legislature. He also inquired whether illegal immigrants would be allowed to receive driver's licenses.

MR. SCHMITZ clarified that they wouldn't be allowed to if HB 293 failed to pass the legislature.

[3:45:38 PM](#)

REPRESENTATIVE STORY inquired about other states already utilizing electronic registration and titling. She asked if the cost absorbed by HB 293 would be an annual cost and further questioned if said annual cost is typical of electronic registration and titling programs. She asked if the DMV had performed a request for proposal (RFP) from different agencies who provide an electronic registration and titling service. She asked how the current cost of registration and titling would be affected by the proposed program. She further inquired how much money is spent on the DMV versus how much money is gained.

MR. SCHMITZ responded that multiple states already utilize electronic registration and titling. He said that the point of modernizing the DMV's services is to streamline the processes and expenses for the state and added that the service is new across the country, so the cost relies on the vendor that the DMV selects to provide the services. He said that the DMV performed a request for information (RFI), not an RFP, and explained how that RFI supplemented the policy proposed in HB 293. He said that HB 293 allows for the commissioner of the Department of Administration to have regulations which describe how the fee structure would work and added that the DMV would try to keep the fee structure as close to what is current as possible. He said that the DMV adds roughly 50 million dollars a year to the general fund.

[3:55:21 PM](#)

REPRESENTATIVE CARPENTER asked how someone would identify an "officer or official employee of the department" as stated in Section 20 of HB 293.

MR. SCHMITZ replied that he would follow up with an answer to the committee later.

REPRESENTATIVE CARPENTER asked how the DMV would inspect motor vehicle operators for compliance with insurance and titling requirements under HB 293. He inquired about the new subsection, Section 16.

MR. SCHMITZ answered that Section 16 of HB 293 would modernize the DMV process by making the request for insurance mandatory only after an accident has occurred.

[4:00:35 PM](#)

REPRESENTATIVE STORY asked why page 1, line 11 was to be added to HB 293 and asked for clarification as to how the process outlined by the subsection would work.

MR. SCHMITZ clarified that Section 1 was added to HB 293 to provide clarity to the organizations with which the DMV currently exchanges. He used the driver's license data verification service as an example of a service that would be changed by Section 1 of HB 293.

[4:04:03 PM](#)

REPRESENTATIVE STORY asked for an example of a "defective" license plate as mentioned in Section 3 of HB 293.

MR. SCHMITZ replied by giving multiple examples of defective license plates and emphasized that the term refers solely to a license plate that is no longer legible by law enforcement.

REPRESENTATIVE STORY asked why the DMV no longer performs emissions testing in Alaska.

MR. SCHMITZ answered that the state went away from emissions testing because it was proven to be ineffective in its ability to improve air quality.

[4:07:25 PM](#)

REPRESENTATIVE CARPENTER asked how many Alaskans would be impacted by the repeal of mail-in registration renewal applications proposed under Section 7.

MR. SCMITZ made clear that the DMV has no intention to discontinue mail services and said that Section 7 of HB 293 would simply add electronic mail-in services as an option to ease governmental burden on everyday Alaskans.

REPRESENTATIVE CARPENTER clarified his question by reading Section 7 of HB 293.

MR. SCMITZ reiterated that the intention of Section 7 is not to discontinue mail-in registration renewal forms and explained that the conflicting wording of Section 7 is likely an oversight by Legislative Legal Services.

[4:11:47 PM](#)

REPRESENTATIVE ALLARD asked how HB 293 would impact the process of obtaining a REAL-ID .

MR. SCMITZ explained that HB 293 would not impact the requirements of REAL-ID whatsoever.

REPRESENTATIVE ALLARD asked whether someone's information used to obtain a CDL would be valid when the same person moved to apply for a REAL-ID.

MR. SCHMITZ replied that someone must be REAL-ID compliant in order to apply for a CDL in Alaska.

REPRESENTATIVE ALLARD asked if someone would have to be re-verified through the REAL-ID process when trying to renew their CDL or basic driver's license.

MR. SCHMITZ said that all first-time applicants for REAL-ID must bring in all appropriate documentation, and he clarified to the committee that REAL-ID requirements are federal. With respect to name change, he added that would not affect REAL-ID status, but the individual would have to provide proof of the name change.

[4:15:56 PM](#)

CHAIR SHAW opened public testimony on HB 293.

[4:16:13 PM](#)

ADAM WEINER, Executive Director, Department of Labor & Workforce Development, testified in support of HB 293. He explained how HB 293 could benefit immigrant Alaskans through the issuance of work licenses such as non-domicile CDL and added that HB 293 is a bill that would put Alaska in competition with other states by giving immigrant Alaskans a better chance to remain in Alaska.

[4:18:14 PM](#)

REPRESENTATIVE ALLARD asked if the intent of the proposed legislation was to bring legal immigrants to Alaska.

MR. WEINER said that is a part of the intent, and the other part is to change the DMV's process.

[4:18:43 PM](#)

ZORI OPANASEVYCH, Director, New Chance, Inc., testified in support of HB 293. She offered her belief that HB 293 would create a lifeline for individuals that are displaced and have the skills to work as commercial truck drivers. She gave an example of an individual who wished to work in Alaska but could not do so due to current immigration laws surrounding CDLs in Alaska.

[4:21:46 PM](#)

REPRESENTATIVE ALLARD asked whether New Chance, Inc. was a nonprofit organization.

MS. OPANASEVYCH said that New Chance, Inc. is a nonprofit based in Anchorage, Alaska and explained their board structure and goal.

[4:22:49 PM](#)

JOEY CRUM, President and CEO, Northern Industrial Training, said that there is a need from employers and a willingness from legal immigrant workers that both justify the passage of HB 293.

[4:23:37 PM](#)

TETYANA ROBBINS, Executive Director, Project Alaska, testified in support of HB 293. She explained that there is a great number of Ukrainian refugees who are qualified CDL drivers that currently cannot work in Alaska due to its immigration laws. She mentioned the vacancy rates of CDL drivers in Alaska and opined that HB 293 would relieve those vacancy rates.

[4:26:39 PM](#)

CHAIR SHAW, after ascertaining there was no one else who wished to testify, closed public testimony on HB 293.

[4:26:54 PM](#)

CHAIR SHAW announced that HB 293 was held over.

[4:27:18 PM](#)

ADJOURNMENT

There being no further business before the committee, the House State Affairs Standing Committee meeting was adjourned at 4:27 p.m.