

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

May 9, 2024

5:17 p.m.

MEMBERS PRESENT

Senator Jesse Bjorkman, Chair
Senator Elvi Gray-Jackson
Senator Kelly Merrick
Senator Forrest Dunbar

MEMBERS ABSENT

Senator Click Bishop, Vice Chair

COMMITTEE CALENDAR

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 226(L&C)

"An Act relating to insurance; relating to pharmacy benefits managers; relating to dispensing fees; and providing for an effective date."

- MOVED SCS CSHB 226(L&C) OUT OF COMMITTEE

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 189(L&C) AM

"An Act relating to the sale of alcohol; relating to the posting of warning signs for alcoholic beverages; and providing for an effective date."

- MOVED SCS CSHB 189(L&C) OUT OF COMMITTEE

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 88(L&C)

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

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

HOUSE BILL NO. 203 AM

"An Act relating to wage payments."

- MOVED SCS HB 203(L&C) OUT OF COMMITTEE

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 146(STA)

"An Act relating to fireworks; repealing restrictions on the sale of fireworks; directing the Department of Public Safety to

adopt fireworks regulations; and providing for an effective date."

- MOVED SCS CSHB 146(L&C) OUT OF COMMITTEE

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 233(TRA) AM

"An Act relating to rates and time allowances for motor vehicle warranty work; and relating to unfair practices by manufacturers."

- MOVED CSHB 233(TRA) AM OUT OF COMMITTEE

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 251(L&C) AM

"An Act exempting certain foods and drinks prepared in an uninspected kitchen from state labeling, licensing, packaging, permitting, and inspection requirements; and permitting a person to acquire meat from a producer by way of an ownership share in an animal if certain conditions are met."

- HEARD & HELD

SENATE BILL NO. 146

"An Act relating to pull-tabs; relating to persons prohibited from involvement in gaming; and relating to the duties of the Department of Revenue."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 226

SHORT TITLE: PHARMACIES/PHARMACISTS/BENEFITS MANAGERS

SPONSOR(S): REPRESENTATIVE(S) SUMNER

01/16/24	(H)	PREFILE RELEASED 1/8/24
01/16/24	(H)	READ THE FIRST TIME - REFERRALS
01/16/24	(H)	HSS, L&C, FIN
02/27/24	(H)	HSS AT 3:00 PM DAVIS 106
02/27/24	(H)	Heard & Held
02/27/24	(H)	MINUTE(HSS)
02/29/24	(H)	HSS AT 3:00 PM DAVIS 106
02/29/24	(H)	Moved CSHB 226(HSS) Out of Committee
02/29/24	(H)	MINUTE(HSS)
03/04/24	(H)	HSS RPT CS(HSS) 6DP 1NR
03/04/24	(H)	DP: SUMNER, RUFFRIDGE, MCCORMICK, SADDLER, MINA, PRAX
03/04/24	(H)	NR: FIELDS

03/06/24 (H) L&C AT 3:15 PM BARNES 124
 03/06/24 (H) Scheduled but Not Heard
 03/11/24 (H) L&C AT 3:15 PM BARNES 124
 03/11/24 (H) Heard & Held
 03/11/24 (H) MINUTE(L&C)
 03/25/24 (H) L&C AT 3:15 PM BARNES 124
 03/25/24 (H) Heard & Held
 03/25/24 (H) MINUTE(L&C)
 04/03/24 (H) L&C AT 3:15 PM BARNES 124
 04/03/24 (H) <Bill Hearing Rescheduled to 04/05/24>
 04/05/24 (H) L&C AT 3:15 PM BARNES 124
 04/05/24 (H) -- MEETING CANCELED --
 04/15/24 (H) L&C AT 3:15 PM BARNES 124
 04/15/24 (H) Heard & Held
 04/15/24 (H) MINUTE(L&C)
 04/22/24 (H) L&C AT 3:15 PM BARNES 124
 04/22/24 (H) Moved CSHB 226(L&C) Out of Committee
 04/22/24 (H) MINUTE(L&C)
 04/24/24 (H) L&C RPT CS(L&C) NEW TITLE 4DP 1DNP 1NR
 04/24/24 (H) DP: WRIGHT, CARRICK, SADDLER, RUFFRIDGE
 04/24/24 (H) DNP: PRAX
 04/24/24 (H) NR: FIELDS
 04/24/24 (H) FIN REFERRAL REMOVED
 05/01/24 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
 05/01/24 (S) <Pending Referral>
 05/02/24 (H) L&C CS ADOPTED Y37 N3
 05/03/24 (H) TRANSMITTED TO (S)
 05/03/24 (H) VERSION: CSHB 226(L&C)
 05/06/24 (S) READ THE FIRST TIME - REFERRALS
 05/06/24 (S) L&C
 05/08/24 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
 05/08/24 (S) Heard & Held
 05/08/24 (S) MINUTE(L&C)
 05/09/24 (S) L&C AT 5:15 PM BELTZ 105 (TSBldg)

BILL: HB 189

SHORT TITLE: SALE OF ALCOHOL

SPONSOR(S): LABOR & COMMERCE

05/03/23 (H) READ THE FIRST TIME - REFERRALS
 05/03/23 (H) L&C
 03/06/24 (H) L&C AT 3:15 PM BARNES 124
 03/06/24 (H) <Bill Hearing Rescheduled to 03/08/24>
 03/08/24 (H) L&C AT 3:15 PM BARNES 124
 03/08/24 (H) Scheduled but Not Heard
 03/11/24 (H) L&C AT 3:15 PM BARNES 124
 03/11/24 (H) Heard & Held

03/11/24 (H) MINUTE (L&C)
 03/22/24 (H) L&C AT 3:15 PM BARNES 124
 03/22/24 (H) Moved CSHB 189(L&C) Out of Committee
 03/22/24 (H) MINUTE (L&C)
 03/25/24 (H) L&C RPT CS(L&C) 4DP 1NR
 03/25/24 (H) DP: CARRICK, PRAX, RUFFRIDGE, SUMNER
 03/25/24 (H) NR: SADDLER
 03/27/24 (H) FIN REFERRAL ADDED AFTER L&C
 04/29/24 (H) FIN REFERRAL REMOVED
 05/06/24 (H) TRANSMITTED TO (S)
 05/06/24 (H) VERSION: CSHB 189(L&C) AM
 05/07/24 (S) READ THE FIRST TIME - REFERRALS
 05/07/24 (S) L&C, FIN
 05/08/24 (S) FIN REFERRAL REMOVED
 05/08/24 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
 05/08/24 (S) Heard & Held
 05/08/24 (S) MINUTE (L&C)
 05/09/24 (S) L&C AT 5:15 PM BELTZ 105 (TSBldg)

BILL: HB 88

SHORT TITLE: WAREHOUSE WORK QUOTAS

SPONSOR (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
 04/17/23 (H) Moved CSHB 88(L&C) Out of Committee
 04/17/23 (H) MINUTE (L&C)
 04/19/23 (H) L&C RPT CS(L&C) 3DP 4NR
 04/19/23 (H) DP: FIELDS, CARRICK, SUMNER
 04/19/23 (H) NR: SADDLER, PRAX, WRIGHT, RUFFRIDGE
 01/29/24 (H) JUD AT 1:00 PM GRUENBERG 120
 01/29/24 (H) Heard & Held
 01/29/24 (H) MINUTE (JUD)
 01/31/24 (H) JUD AT 1:00 PM GRUENBERG 120
 01/31/24 (H) Moved CSHB 88(L&C) Out of Committee

01/31/24 (H) MINUTE (JUD)
 02/02/24 (H) JUD RPT CS (L&C) 6DP 1NR
 02/02/24 (H) DP: C. JOHNSON, GRAY, CARPENTER, SUMNER,
 GROH, VANCE
 02/02/24 (H) NR: ALLARD
 04/26/24 (H) TRANSMITTED TO (S)
 04/26/24 (H) VERSION: CSHB 88 (L&C)
 04/29/24 (S) READ THE FIRST TIME - REFERRALS
 04/29/24 (S) L&C
 05/06/24 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
 05/06/24 (S) Heard & Held
 05/06/24 (S) MINUTE (L&C)
 05/08/24 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
 05/08/24 (S) -- Public Testimony <Time Limit May Be
 Set> --
 05/09/24 (S) L&C AT 5:15 PM BELTZ 105 (TSBldg)

BILL: HB 203

SHORT TITLE: PAYMENT OF WAGES; PAYROLL CARD ACCOUNT

SPONSOR (s): SUMNER

05/16/23 (H) READ THE FIRST TIME - REFERRALS
 05/16/23 (H) L&C
 01/26/24 (H) BILL REPRINTED
 02/09/24 (H) L&C AT 3:15 PM BARNES 124
 02/09/24 (H) -- MEETING CANCELED --
 02/16/24 (H) L&C AT 3:15 PM BARNES 124
 02/16/24 (H) -- MEETING CANCELED --
 02/23/24 (H) L&C AT 3:15 PM BARNES 124
 02/23/24 (H) Scheduled but Not Heard
 02/28/24 (H) L&C AT 3:15 PM BARNES 124
 02/28/24 (H) -- MEETING CANCELED --
 03/01/24 (H) L&C AT 3:15 PM BARNES 124
 03/01/24 (H) Scheduled but Not Heard
 03/04/24 (H) L&C AT 3:15 PM BARNES 124
 03/04/24 (H) Heard & Held
 03/04/24 (H) MINUTE (L&C)
 03/11/24 (H) L&C AT 3:15 PM BARNES 124
 03/11/24 (H) Heard & Held
 03/11/24 (H) MINUTE (L&C)
 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) Moved HB 203 Out of Committee
 03/20/24 (H) MINUTE (L&C)
 03/21/24 (H) L&C RPT 4DP 3NR
 03/21/24 (H) DP: RUFFRIDGE, PRAX, SADDLER, SUMNER

03/21/24 (H) NR: FIELDS, CARRICK, WRIGHT
05/01/24 (H) TRANSMITTED TO (S)
05/01/24 (H) VERSION: HB 203 AM
05/03/24 (S) READ THE FIRST TIME - REFERRALS
05/03/24 (S) L&C
05/06/24 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
05/06/24 (S) Scheduled but Not Heard
05/08/24 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
05/08/24 (S) Heard & Held
05/08/24 (S) MINUTE(L&C)
05/09/24 (S) L&C AT 5:15 PM BELTZ 105 (TSBldg)

BILL: HB 146

SHORT TITLE: REGULATION OF FIREWORKS

SPONSOR(s): RULES BY REQUEST OF THE GOVERNOR

03/29/23 (H) READ THE FIRST TIME - REFERRALS
03/29/23 (H) STA, L&C
04/13/23 (H) STA AT 3:00 PM GRUENBERG 120
04/13/23 (H) Heard & Held
04/13/23 (H) MINUTE(STA)
04/27/23 (H) STA AT 3:00 PM GRUENBERG 120
04/27/23 (H) Moved CSHB 146(STA) Out of Committee
04/27/23 (H) MINUTE(STA)
05/01/23 (H) STA RPT CS(STA) 5DP 2NR
05/01/23 (H) DP: CARPENTER, C.JOHNSON, ALLARD,
WRIGHT, SHAW
05/01/23 (H) NR: ARMSTRONG, STORY
05/08/23 (H) L&C AT 3:15 PM BARNES 124
05/08/23 (H) Heard & Held
05/08/23 (H) MINUTE(L&C)
01/24/24 (H) L&C AT 3:15 PM BARNES 124
01/24/24 (H) Moved CSHB 146(STA) Out of Committee
01/24/24 (H) MINUTE(L&C)
01/26/24 (H) L&C RPT CS(STA) 7DP
01/26/24 (H) DP: FIELDS, CARRICK, PRAX, WRIGHT,
RUFFRIDGE, SADDLER, SUMNER
03/21/24 (H) TRANSMITTED TO (S)
03/21/24 (H) VERSION: CSHB 146(STA)
03/22/24 (S) READ THE FIRST TIME - REFERRALS
03/22/24 (S) STA, L&C
04/18/24 (S) STA AT 3:30 PM BELTZ 105 (TSBldg)
04/18/24 (S) -- Public Testimony --
05/02/24 (S) STA AT 3:30 PM BELTZ 105 (TSBldg)
05/02/24 (S) Moved CSHB 146(STA) Out of Committee
05/02/24 (S) MINUTE(STA)
05/03/24 (S) STA RPT SCS 2NR 2AM NEW TITLE

05/03/24 (S) AM: KAWASAKI, WIELECHOWSKI
 05/03/24 (S) NR: MERRICK, BJORKMAN
 05/08/24 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
 05/08/24 (S) Heard & Held
 05/08/24 (S) MINUTE(L&C)
 05/09/24 (S) L&C AT 5:15 PM BELTZ 105 (TSBldg)

BILL: HB 233

SHORT TITLE: RATES: MOTOR VEHICLE WARRANTY WORK

SPONSOR(s): TOMASZEWSKI

01/16/24 (H) PREFILE RELEASED 1/8/24
 01/16/24 (H) READ THE FIRST TIME - REFERRALS
 01/16/24 (H) L&C, JUD
 03/06/24 (H) L&C AT 3:15 PM BARNES 124
 03/06/24 (H) Heard & Held
 03/06/24 (H) MINUTE(L&C)
 03/15/24 (H) L&C AT 3:15 PM BARNES 124
 03/15/24 (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)
 04/18/24 (H) TRA REPLACES JUD REFERRAL
 04/22/24 (H) L&C AT 3:15 PM BARNES 124
 04/22/24 (H) Moved HB 233 Out of Committee
 04/22/24 (H) MINUTE(L&C)
 04/23/24 (H) TRA AT 1:00 PM BARNES 124
 04/23/24 (H) <Bill Hearing Canceled>
 04/24/24 (H) L&C RPT 2DP 4NR
 04/24/24 (H) DP: WRIGHT, CARRICK
 04/24/24 (H) NR: FIELDS, PRAX, SADDLER, RUFFRIDGE
 04/25/24 (H) TRA AT 1:00 PM BARNES 124
 04/25/24 (H) Heard & Held
 04/25/24 (H) MINUTE(TRA)
 04/27/24 (H) TRA AT 1:00 PM BARNES 124
 04/27/24 (H) Heard & Held
 04/27/24 (H) MINUTE(TRA)
 05/02/24 (H) TRA AT 1:00 PM BARNES 124
 05/02/24 (H) Moved CSHB 233(TRA) Out of Committee
 05/02/24 (H) MINUTE(TRA)
 05/06/24 (H) TRA RPT CS(TRA) NEW TITLE 2DP 4NR 1AM
 05/06/24 (H) DP: STUTES, MCCABE
 05/06/24 (H) NR: C.JOHNSON, VANCE, MCKAY, MINA
 05/06/24 (H) AM: SUMNER
 05/06/24 (H) TRA CS ADOPTED Y37 N1 A2
 05/06/24 (H) TRANSMITTED TO (S)
 05/06/24 (H) VERSION: CSHB 233(TRA) AM

05/07/24 (S) READ THE FIRST TIME - REFERRALS
05/07/24 (S) L&C
05/08/24 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
05/08/24 (S) Heard & Held
05/08/24 (S) MINUTE(L&C)
05/09/24 (S) L&C AT 5:15 PM BELTZ 105 (TSBldg)

BILL: HB 251

SHORT TITLE: EXEMPTIONS FOR HOMEMADE FOODS

SPONSOR(s) : RAUSCHER

01/16/24 (H) PREFILE RELEASED 1/12/24
01/16/24 (H) READ THE FIRST TIME - REFERRALS
01/16/24 (H) L&C, RES
02/02/24 (H) L&C AT 3:15 PM BARNES 124
02/02/24 (H) <Bill Hearing Rescheduled to 02/05/24>
02/05/24 (H) L&C AT 3:15 PM BARNES 124
02/05/24 (H) Heard & Held
02/05/24 (H) MINUTE(L&C)
02/14/24 (H) L&C AT 3:15 PM BARNES 124
02/14/24 (H) Scheduled but Not Heard
02/21/24 (H) L&C AT 3:15 PM BARNES 124
02/21/24 (H) -- MEETING CANCELED --
03/15/24 (H) L&C AT 3:15 PM BARNES 124
03/15/24 (H) -- MEETING CANCELED --
03/27/24 (H) L&C AT 3:15 PM BARNES 124
03/27/24 (H) Moved CSHB 251(L&C) Out of Committee
03/27/24 (H) MINUTE(L&C)
03/28/24 (H) L&C RPT CS(L&C) NEW TITLE 2DP 5NR
03/28/24 (H) DP: RUFFRIDGE, SUMNER
03/28/24 (H) NR: CARRICK, FIELDS, SADDLER, PRAX,
WRIGHT
04/08/24 (H) RES AT 1:00 PM BARNES 124
04/08/24 (H) Heard & Held
04/08/24 (H) MINUTE(RES)
04/15/24 (H) RES AT 1:00 PM BARNES 124
04/15/24 (H) Heard & Held
04/15/24 (H) MINUTE(RES)
04/17/24 (H) RES AT 1:00 PM BARNES 124
04/17/24 (H) Moved CSHB 251(L&C) Out of Committee
04/17/24 (H) MINUTE(RES)
04/18/24 (H) RES RPT CS(L&C) NEW TITLE 9DP
04/18/24 (H) DP: MEARS, ARMSTRONG, DIBERT, MCCABE,
SADDLER, WRIGHT, BAKER, RAUSCHER, MCKAY
05/06/24 (H) L&C CS ADOPTED Y37 N1 A2
05/06/24 (H) TRANSMITTED TO (S)
05/06/24 (H) VERSION: CSHB 251(L&C) AM

05/07/24 (S) READ THE FIRST TIME - REFERRALS
05/07/24 (S) L&C
05/09/24 (S) L&C AT 5:15 PM BELTZ 105 (TSBldg)

BILL: SB 146

SHORT TITLE: GAMING; ELECTRONIC PULL-TABS
SPONSOR(s): RULES BY REQUEST OF THE GOVERNOR

05/10/23 (S) READ THE FIRST TIME - REFERRALS
05/10/23 (S) L&C, FIN
03/13/24 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
03/13/24 (S) Heard & Held
03/13/24 (S) MINUTE(L&C)
04/19/24 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
04/19/24 (S) -- MEETING CANCELED --
04/22/24 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
04/22/24 (S) Heard & Held
04/22/24 (S) MINUTE(L&C)
05/09/24 (S) L&C AT 5:15 PM BELTZ 105 (TSBldg)

WITNESS REGISTER

DANIEL NELSON, Director of Pharmacy
Tanana Chiefs Conference
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 226.

BRANDY SEIGNEMARTIN, Executive Director
Alaska Pharmacy Association
Eagle River, Alaska

POSITION STATEMENT: Testified in support of HB 226.

ASHLEY SCHABER, Chair
Alaska Board of Pharmacy
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 226.

KONRAD JACKSON, Staff
Senator Jesse Bjorkman
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Provided a summary of Amendment 1 (U.2) to
HB 189 and Amendment 2 (U.1) to HB 189.

LEE ELLIS, President
Brewers Guild of Alaska
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 189.

NOELLE LOCONTE, representing self
Madison, Wisconsin

POSITION STATEMENT: Testified in support of cancer warning sign provisions of HB 189.

TIFFANY HALL, President and CEO
Recover Alaska
Anchorage, Alaska

POSITION STATEMENT: Testified in support of the cancer warning sign provisions of HB 189.

THOMAS GREMILLION, Director
Food Policy
Consumer Federation of America (CFA)
Washington, D.C

POSITION STATEMENT: Testified in support of HB 189.

KONRAD JACKSON, Staff
Senator Jesse Bjorkman
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Provided an explanation of the CS for HB 88, work order 33-LS0516\S.

CLARK BICKFORD, Staff
Representative Jesse Sumner
Juneau, Alaska

POSITION STATEMENT: Responded to committee member questions on HB 203.

DAN LEWIS, Vice President of Government Affairs
Automatic Data Processing
Roseland, New Jersey

POSITION STATEMENT: Answered questions on HB 203.

LISA PURINTON, Director
Division of Statewide Services, Department of Public Safety
Juneau, Alaska

POSITION STATEMENT: Explained the changes in the CS for HB 146.

DAVID BRIGHT, Senior Attorney
Alliance for Automotive Innovation
Washington, D.C.

POSITION STATEMENT: Testified with concerns on HB 233.

NICOLINA HERNANDEZ, Regional Director
Government Affairs
Toyota Motors NA
Sacramento, California

POSITION STATEMENT: Testified with concerns on HB 233.

RYAN MCKEE, Staff
Representative George Rauscher
Juneau, Alaska

POSITION STATEMENT: Introduced HB 251 on behalf of the sponsor,
Representative George Rauscher.

SARAH OATES, President
Alaska Cabaret, Hotel, Restaurant
and Retailers Association (CHARR)
Anchorage, Alaska

POSITION STATEMENT: Testified on HB 251.

CRYSTAL KOENEMAN, Legislative Liaison,
Department of Environmental Conservation
Juneau, Alaska

POSITION STATEMENT: Answered questions on HB 251.

JOHN POWERS, Owner
Tudor Bingo Center
Anchorage, Alaska

POSITION STATEMENT: Testified in opposition to SB 146.

DAVID LAMBERT, Charitable Gaming
Fairbanks, Alaska

POSITION STATEMENT: Testified on HB 146.

ACTION NARRATIVE

[5:17:42 PM](#)

CHAIR JESSE BJORKMAN called the Senate Labor and Commerce Standing Committee meeting to order at 5:17 p.m. Present at the call to order were Senators Merrick, Gray-Jackson, Dunbar, and Chair Bjorkman.

HB 226-PHARMACIES/PHARMACISTS/BENEFITS MANAGERS

[5:19:09 PM](#)

CHAIR BJORKMAN announced the consideration of CS FOR HOUSE BILL NO. 226(L&C)"An Act relating to insurance; relating to pharmacy benefits managers; relating to dispensing fees; and providing for an effective date."

He noted that the companion bill, SB 121 was previously heard and before the committee for consideration was SCS CSHB 226, work order 33-LS0955\H.

5:20:00 PM

CHAIR BJORKMAN opened public testimony on HB 226.

5:20:28 PM

DANIEL NELSON, Director of Pharmacy, Tanana Chiefs Conference, Anchorage, Alaska, testified in support of HB 226. He said he was an Alaskan pharmacist for over 20 years and the director of pharmacy for the Tanana Chiefs Conference since 2007. He explained that Pharmacy Benefit Managers (PBMs) were initially created to help rein in prescription drug costs and manage the complex reimbursement environment of prescription drugs. Unfortunately, a lack of regulatory and legislative oversight allowed PBMs to become vertically and horizontally integrated oligopolies. He said PBMs made an already complex issue into an utterly illogical world where they are now a, if not the, primary driver of increasing prescription drug costs in America. He said this was an issue he was very passionate about, because he saw how the many problematic practices of PBMs negatively impact clinical outcomes for patients, drive prescription drug costs up and bankrupt Alaskan pharmacies through a laundry list of frankly ludicrous business practices designed with the sole intent of increasing PBMs' profit margins and absolutely nothing else. He said he would not go too far into the weeds of HB 226 today, but that the bill was a very modest first step in the desperately needed arena of PBM regulation and reform. He urged the committee to pass HB 226 out of committee today.

5:22:04 PM

BRANDY SEIGNEMARTIN, Executive Director, Alaska Pharmacy Association, Eagle River, Alaska, testified in strong support of HB 226 on behalf of the Alaska Pharmacy Association. She said HB 226 sought to address anti-competitive, unfair and opaque business practices by Pharmacy Benefit Managers (PBMs). She shared new data from a first of its kind study done in Washington State that shed light on the significant disparities caused by PBMs in the employer and commercial marketplace, the sector HB 226 specifically applied to. The study found that PBMs were steering patients to their own mail-order pharmacies and requiring the employer or plan sponsor to reimburse the PBM at a magnitude of 47 to 1400 times over acquisition costs than they reimburse local pharmacies. She emphasized the apparent disparity and said the practice resulted in erosion of the local

healthcare infrastructure and the closure of independent pharmacies. She said HB 226 represented an important step toward addressing these harmful practices. She said, while it wouldn't solve all the issues, it would set a framework for greater oversight and accountability, promoting fairness and transparency in Alaska's health care industry. She said the Alaska Pharmacy Association believed HB 266 would help safeguard local pharmacies and support better health care outcomes for patients. She thanked the committee for their time and attention and urged them to move HB 226 forward expeditiously to ensure it would make it through this session.

[5:23:39 PM](#)

ASHLEY SCHABER, Chair, Alaska Board of Pharmacy, Anchorage, Alaska, testified on behalf of the Board of Pharmacy who unanimously supported HB 226. She said HB 226 would:

- promote choice for patients to access pharmacy services
- provide transparency
- protect safety and patient access to clinics who administer drugs
- align with the Board's strategic plan

MS. SCHABER said passage of HB 226 would help build the needed foundation to assure Alaska's pharmacies can continue to safely serve Alaska patients throughout the state. She thanked committee members for hearing HB 266 and urged their support and quick passage [of HB 266].

[5:24:31 PM](#)

CHAIR BJORKMAN closed public testimony on HB 226.

[5:24:39 PM](#)

CHAIR BJORKMAN solicited the will of the committee.

[5:24:41 PM](#)

SENATOR GRAY-JACKSON moved to report Senate Committee Substitute (SCS) for CSHB 226, work order 33 LS0955\H from committee with individual recommendations and attached fiscal note(s).

[5:25:11 PM](#)

At ease

[5:25:20 PM](#)

CHAIR BJORKMAN reconvened. He found no objection and SCS FOR CSHB 226(L&C) was reported from the Senate Labor and Commerce Standing Committee.

[5:25:29 PM](#)

At ease

HB 189-SALE OF ALCOHOL

[5:27:04 PM](#)

CHAIR BJORKMAN reconvened the meeting and announced the consideration of CS FOR HOUSE BILL NO. 189(L&C) am "An Act relating to the sale of alcohol; relating to the posting of warning signs for alcoholic beverages; and providing for an effective date."

CHAIR BJORKMAN stated the motion to adopt SCS CSHB 189, work order 33-LS0697\U, was pending before the committee; he said he had maintained his objection as there was a need to amend the bill further.

[5:27:41 PM](#)

CHAIR BJORKMAN removed his objection; found no further objection and SCS CSHB 189 was adopted as the working document.

[5:28:00 PM](#)

CHAIR BJORKMAN solicited a motion.

[5:28:02 PM](#)

SENATOR GRAY-JACKSON moved to adopt Amendment 1 (U.2), work order 33-LS0697\U.2, for HB 189.

33-LS0697\U.2
C. Radford
5/9/24

AMENDMENT 1

OFFERED IN THE SENATE BY SENATOR BJORKMAN
TO: SCS CSHB 189(L&C), Draft Version "U"

Page 1, line 1, following "**alcohol**";:

Insert "**relating to the posting of warning signs for alcoholic beverages**";

Page 5, following line 27:

Insert a new bill section to read:

*** Sec. 11.** AS 04.21.065(b) is amended to read:

(b) The warning signs required by (a) of this section must be at least 11 inches by 14 inches, and

the lettering must be at least one-half inch high and in contrasting colors. The first sign must read, "WARNING: Alcohol use [DRINKING ALCOHOLIC BEVERAGES SUCH AS BEER, WINE, WINE COOLERS, AND DISTILLED SPIRITS OR SMOKING CIGARETTES] during pregnancy can cause birth defects. Alcohol use can cause cancer, including breast and colon cancers." The second sign must read, "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." The third sign must read, "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." The license or permit holder shall display the first and second signs in a manner that would make them conspicuous to a person who will be purchasing or consuming alcoholic beverages or smoking cigarettes on the licensed or designated premises and shall conspicuously display the third sign at each door through which customers enter the licensed premises."

Renumber the following bill sections accordingly.

Page 5, following line 31:

Insert a new bill section to read:

*** Sec. 14.** Section 11 of this Act takes effect January 1, 2025."

Renumber the following bill section accordingly.

Page 6, line 1:

Delete "This"

Insert "Except as provided in sec. 14 of this Act, this"

[5:28:10 PM](#)

CHAIR BJORKMAN objected for purposes of discussion.

[5:28:22 PM](#)

KONRAD JACKSON, Staff, Senator Jesse Bjorkman, Alaska State Legislature, Juneau, Alaska, said Amendment 1 (U.2), page 1, would restore language which was removed from CSHB 189, version U, and [Amendment 1 (U.2)], page 2, would insert a delayed effective date at the request of Joan Wilson, Director of the Alcohol and Marijuana Control Office (AMCO) to allow additional

time for [cancer warning signs] to be printed and distributed to the various vendors in a reasonable time.

[5:29:16 PM](#)

CHAIR BJORKMAN asked for clarification about the extended effective date. He asked whether it applied only to the section of HB 189 that addressed the [cancer warning] signs.

[5:29:25 PM](#)

MR. JACKSON affirmed that only the effective date for the signs was changed; the effective date for HB 189 overall was not changed.

[5:29:34 PM](#)

CHAIR BJORKMAN removed his objection; found no further objection and Amendment 1 (U.2), work order 33-LS0697\U.2 was adopted.

[5:29:59 PM](#)

CHAIR BJORKMAN solicited a motion.

[5:30:02 PM](#)

SENATOR GRAY-JACKSON moved to adopt Amendment 2 (U.1), work order 33-LS0697\U.1, to HB 189.

33-LS0697\U.1
C. Radford
5/8/24

AMENDMENT 2

OFFERED IN THE SENATE BY SENATOR BJORKMAN

TO: SCS CS HB 189(L&C), Draft Version "U"

Page 4, line 28, following "(1)":

Insert "beverage dispensary or beverage dispensary tourism licensee that has a large resort endorsement,"

Page 5, line 7:

Delete ";"

Insert "."

Page 5, lines 8 - 12:

Delete all material.

[5:30:11 PM](#)

CHAIR BJORKMAN objected for purposes of discussion.

[5:30:21 PM](#)

MR. JACKSON stated Amendment 2 (U.1) corrected a minor drafting error in the rewrite of Title IV. He explained that Title IV dealt with large resorts [who hold alcohol endorsements]. He said current statute prohibits small children from wandering around [on resort premises] without direct adult supervision. He said language was inserted on page four, line 28 which would permit children to be on the premises of large resorts holding alcohol endorsements. He noted the large resort in Girdwood was the only resort that Amendment 2 (U.1) applied to. He said there was also language in the amendment that deleted the attempt on page five of HB 189, which was inadvertently drafted and which would have allowed children 16 years or so of age to be unaccompanied in a bar at a large resort. He said that was never the intention of that CS, so that was deleted [from HB 189], page five, lines eight through twelve.

[5:32:01 PM](#)

CHAIR BJORKMAN removed his objection; found no further objection and Amendment 2 (U.1) was adopted.

[5:32:33 PM](#)

SENATOR DUNBAR spoke in favor of HB 189. He noted that it was crucial to employers facing workforce shortages. He also said it was incredibly important that young people, eighteen, nineteen, twenty years old, had access to employment opportunities. He noted that young people in this country are expected to be adults at 18 and we should not further restrict their employment opportunities.

[5:33:21 PM](#)

CHAIR BJORKMAN opened public testimony on HB 189.

[5:33:43 PM](#)

LEE ELLIS, President, Brewers Guild of Alaska, Anchorage, Alaska, testified in support of HB 189. He expressed appreciation for the inclusion of manufacturers [of alcohol products in HB 189]. He emphasized the importance of recruiting new employees, including college students, and highlighted the benefits of internships for students studying food sciences. He said HB 189 would allow younger college students, under 21, to work in various roles without handling alcohol, which is beneficial for staffing and family-owned breweries. He also mentioned collaborating with the University of Alaska to develop a brewing education program, which would be possible with the bill's passage. He stressed the brewing industry's commitment to

responsible alcohol consumption and the educational opportunities for younger workers.

5:36:36 PM

NOELLE LOCONTE, representing self, Madison, Wisconsin, testified in support of the cancer warning sign provisions of HB 189. She emphasized the low awareness nationwide of alcohol as a carcinogen, with only 30 percent of the U.S. population understanding this link and she said physicians' awareness was not much better. She advocated for increased awareness to help people make informed choices [about their alcohol consumption].

DR. LOCONTE listed seven cancers associated with alcohol consumption: head and neck, breast, liver, colorectal, esophageal, gastric, and pancreatic cancer. She highlighted the need for public education on this topic.

5:38:00 PM

TIFFANY HALL, President and CEO, Recover Alaska, Anchorage, Alaska, testified in support of the cancer warning sign provisions of HB 189. She said Recover Alaska was a statewide organization focused on reducing excessive alcohol use and its associated harms. She highlighted the significance of cancer as the leading cause of death in Alaska and alcohol as the third leading modifiable cause. She emphasized that alcohol was related to nine out of the top ten causes of death in the state.

MS. HALL said there was no question that alcohol causes cancer. and there was no credible authority that disputed that. Even so, she said, it was largely unknown. She said knowledge was power. Public awareness was critical. She said Recover Alaska believed the [alcohol cancer risk] warning signs would be reaching a very relevant group. She thanked the committee for hearing HB 189 and expressed appreciation for the very clean language and the work of the Alcohol Marijuana Control Office (AMCO).

5:39:37 PM

THOMAS GREMILLION, Director, Food Policy, Consumer Federation of America (CFA), Washington, D.C, testified in support of HB 189. He said the Consumer Federation of America (CFA) was a nonprofit organization established in 1968 to advance the consumer interest in research, education and advocacy. He explained that, for decades, CFA advocated to bring alcohol labeling into alignment with other beverages and food with respect to things like calories, ingredients and allergens. They also advocated for updates to health warning statements on alcoholic beverages to include alcohol cancer warnings. He said alcohol cancer

warnings are a powerful public policy tool, precisely because alcohol cancer risk represents a significant health burden, killing over 20,000 Americans a year, dying from alcohol attributable cancers. He emphasized previous testimony that public awareness of [alcohol cancer risk] is very low and noted that 10 percent of the population thought alcohol reduced cancer risk, at least in the form of wine, and, he said, that's not true.

MR. GREMILLION said CFA supported federal alcohol labeling reform and state laws to require point of sale cancer warnings for alcohol. He referred to a paper on their website entitled: State and Local Public Policy Options for Raising Awareness of Alcohol Cancer Risk. He said it listed an extensive bibliography of academic research articles that support provisions like the one in HB 189. He said point of sale warning signs do have a record of success. He pointed out that warning signs on the dangers of drinking while pregnant, which were adopted in Alaska and nearly half of the other states in the union in the 1990s, are associated with a significantly reduced rate of fetal alcohol syndrome. He emphasized that while it may seem like no one is paying attention to these warning signs, they do get the message out, and slowly change the public mindset over time.

[5:42:23 PM](#)

CHAIR BJORKMAN closed public testimony on HB 189.

[5:42:40 PM](#)

CHAIR BJORKMAN solicited the will of the committee.

[5:42:45 PM](#)

SENATOR GRAY-JACKSON moved to report SCS CSHB 189, work order 33-LS0697\U, as amended, from committee with individual recommendations and attached fiscal note(s).

[5:43:04 PM](#)

CHAIR BJORKMAN found no objection and SCS CSHB 189(L&C) was reported from the Senate Labor and Commerce Standing Committee.

[5:43:20 PM](#)

At ease

HB 88-WAREHOUSE WORK QUOTAS

[5:46:25 PM](#)

CHAIR BJORKMAN reconvened the meeting and announced the consideration of CS FOR HOUSE BILL NO. 88(L&C) "An Act relating

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

He noted that this is the second hearing of the bill and during the last meeting Amendment [1 (B.3), work order 33-LS0516\B.3] was adopted.

[5:47:03 PM](#)

CHAIR BJORKMAN opened public testimony on HB 88; finding none, he closed public testimony.

[5:47:35 PM](#)

CHAIR BJORKMAN solicited a motion.

[5:47:36 PM](#)

SENATOR GRAY-JACKSON moved to adopt the Senate Committee Substitute for CSHB 88, work order 33-LS0516\S, as the working document.

[5:47:47 PM](#)

CHAIR BJORKMAN objected for purposes of discussion.

[5:48:04 PM](#)

KONRAD JACKSON, Staff, Senator Jesse Bjorkman, Alaska State Legislature, Juneau, Alaska, began to explain the SCS for HB 88, work order 33-LS0516\S. He said there were two changes, one of which had been made the previous day through the adoption of Amendment 1 (B.3).

[5:48:31 PM](#)

At ease

[5:49:38 PM](#)

CHAIR BJORKMAN reconvened the meeting.

[5:49:56 PM](#)

MR. JACKSON continued to explain the SCS for HB 88, work order 33-LS0516\S. He referred to page one, line 9, and said the change from 200 to 100 was made through the adoption of Amendment 1 (B.3) offered by Senator Dunbar. He said if the CS were adopted by the committee that change would remain at 100.

MR. JACKSON said the second change could be found on page 2, line 28, subsection (d). A new sentence was inserted, which read: "a former employee is limited to one request under (a) of this section." He explained that this would allow for employees to request quota information and other information, from the

employer. He explained that page 2, line 28, subsection (d) dealt with a former employee being added to language that would allow for one additional request for information once they are no longer an employee. He said the remainder of section "D" would allow an employer to reject a former employee's request if that request has already been fulfilled.

[5:51:46 PM](#)

CHAIR BJORKMAN removed his objection.

[5:51:52 PM](#)

CHAIR BJORKMAN found no further objection and the SCS CSHB 88, was adopted as the working document.

[5:52:05 PM](#)

CHAIR BJORKMAN solicited a motion.

[5:52:08 PM](#)

SENATOR GRAY-JACKSON moved to adopt Amendment 1 (S.1), work order 33-LS0516\S.1, to HB 88.

33-LS0516\S.1

A. Radford

5/8/24

AMENDMENT 1

OFFERED IN THE SENATE

BY SENATOR BJORKMAN

TO: SCS CSHB 88 (L&C)

Page 2, line 6:

Delete "the employer may take"

Insert "may result"

Page 2, line 17, following "employee":

Insert "who believes that meeting a quota required the employee to violate a federal or state occupational safety and health law"

Page 2, line 20, following "data":

Insert "; an employer is not required under this paragraph to provide any portion of a qualitative performance assessment, personnel record, or wage statement that does not include information relating to the employee's work speed data"

Page 3, line 3:

Delete "a"

Insert "an overtime-eligible"

Page 3, line 4, following "quota;":

Insert ""employee" does not include a driver or courier to or from a warehouse distribution center or a person whose work duty is operating a tractor or other motor vehicle"

[5:52:13 PM](#)

CHAIR BJORKMAN objected for purposes of discussion. He explained the key points of Amendment 1 (S.1):

- Page two, line six required a quota description to identify all potential adverse employment actions that may result in failing to meet the quota.
- Page two, line 17 is conceptually deleted and not included in the amendment.
- Page two, line 20 clarified the information that must be provided to an employee upon request of work speed data.
- Page three, line four clarified that HB 88 does not apply to couriers and express delivery drivers.

CHAIR BJORKMAN said the amendment specified that work speed data does not include the employee's entire work history, past performance evaluations, or wage statements and that only data related to work speed information is required to be disclosed. He said this clarification would ensure that the request for work speed data would be limited to relevant metrics. He said HB 88 would apply to employees most likely subjected to work speed metrics as defined in the Fair Labor Standards Act (FLSA), which would be those employees eligible for overtime pay. Exempt employees, typically salaried, are not eligible for overtime

under the FLSA. He said this clarification would ensure that HB 88 would apply to individual work speed data and not company or site-wide performance metrics.

CHAIR BJORKMAN said that many couriers and delivery companies in Alaska are small businesses or entrepreneurs, and that Amendment 1 (S.1) seeks to avoid inadvertently including gig economy workers in HB 88's scope.

[5:55:04 PM](#)

CHAIR BJORKMAN removed his objection.

[5:55:09 PM](#)

SENATOR DUNBAR objected.

[5:55:14 PM](#)

SENATOR DUNBAR spoke to his objection. He said he preferred the existing language [of HB 88] which, he said, came through the House with a lot of consideration. He said the first part of the amendment creates some confusion. He acknowledged that the second part was to be removed. He said the third part was too broad and the fourth part unnecessary. For those reasons, he opposed Amendment 1 (S.1).

[5:55:48 PM](#)

At ease

[5:57:27 PM](#)

CHAIR BJORKMAN reconvened the meeting and asked for a roll call vote.

[5:57:43 PM](#)

A roll call vote was taken. Senators Merrick and Bjorkman voted in favor of Amendment 1 (S.1) and Senators Dunbar and Gray-Jackson voted against it. The vote was 2:2.

[5:58:05 PM](#)

CHAIR BJORKMAN announced that Amendment 1 (S.1) failed on a vote of 2:2.

[5:58:26 PM](#)

CHAIR BJORKMAN solicited the will of the committee.

[5:58:28 PM](#)

SENATOR GRAY-JACKSON moved to report the Senate Committee Substitute (SCS) for CSHB 88, work order 33-LS0516\S, from

committee with individual recommendations and attached fiscal note(s).

[5:58:50 PM](#)

CHAIR BJORKMAN found no objection and SCS CSHB 88(L&C) was reported from the Senate Labor and Commerce Standing Committee.

[5:59:00 PM](#)

At ease

HB 203-PAYMENT OF WAGES; PAYROLL CARD ACCOUNT

[6:00:45 PM](#)

CHAIR BJORKMAN reconvened the meeting and announced the consideration of HOUSE BILL NO. 203 am "An Act relating to wage payments."

CHAIR BJORKMAN noted that in prior hearing, there was a request for statistics regarding wage theft. He asked Mr. Bickford whether he had statistics to share with the committee.

[6:01:10 PM](#)

CLARK BICKFORD, Staff, Representative Jesse Sumner, Juneau, Alaska, reported that he was unable to provide hard data in response to Senator Dunbar's question [regarding the potential impact of HB 203 on the incidence of wage theft]. He said he met with the payroll department for the [City and Borough of Juneau (CBJ)] and the payroll department for the state legislature. He said they reported less than ten percent of their employees opt for paper checks, and that they adamantly push employees to electronic payment for reasons discussed yesterday: that electronic forms of payment are more convenient, more environmentally friendly, and less vulnerable to theft. He said it was also important to note that the General Government bargaining unit (GGU), which is the largest union in the executive branch in Alaska doesn't give a [paper paycheck] option to their employees, for the same reasons, that electronic payment is more convenient and less likely to [be vulnerable to] theft of wages or lost checks. He said this is the same choice many employers make for their employees. He said the sponsor urged the committee to return to the original version [of HB 203] that was passed out of the House, Labor and Commerce [committee] before it was passed out of the House. He said Mr. Lewis was online with a short, prepared statement on wage theft.

[6:03:07 PM](#)

CHAIR BJORKMAN invited Mr. Lewis to share his statement on wage theft with the committee.

[6:03:17 PM](#)

DAN LEWIS, Vice President of Government Affairs, Automatic Data Processing (ADP), Roseland, New Jersey, clarified that ADP does not track specific data on wage theft. He said employees receiving pay through pay cards or electronic means receive the same information as those with paper paychecks. He said they would have available all the records to validate accurate pay. He said that information would be housed in a portal that is electronically available and retained for the employees, so they have easy and long-term access to the information on their pay. He emphasized that employees have access to that [payroll] information much more quickly than they would through a paper paycheck, allowing for quicker and earlier opportunities to identify discrepancies in their pay. He suggested that Senator Dunbar's question may have reflected concern that it would be more likely that unbanked or underbanked employees would be more likely to receive pay through pay cards, and that population also may be at higher risk for wage theft. He said [that population] should be afforded the protections that he outlined. He said he did not think that there would be greater risk to employees that are paid through pay card rather than paper checks. He said they would probably be more protected [from wage theft by receiving their pay through pay cards].

[6:05:12 PM](#)

SENATOR GRAY-JACKSON expressed appreciation for the provision in HB 203 for employees who were unable to have a bank account.

[6:05:40 PM](#)

CHAIR BJORKMAN opened public testimony on HB 203; finding none, he closed public testimony.

[6:06:01 PM](#)

CHAIR BJORKMAN solicited a motion.

[6:06:02 PM](#)

SENATOR GRAY-JACKSON moved to adopt the Senate committee substitute (SCS) for HB 203, work order 33-LS0857\A, as the working document.

[6:06:16 PM](#)

CHAIR BJORKMAN objected for purposes of explanation.

[6:06:17 PM](#)

MR. BICKFORD explained that HB 203 would give the choice to the employer whether to offer paper checks. He said if the employer does not want to [offer paper paychecks], they would give employees an option between direct deposit or a payroll card. He said the decision would lie solely with the employer. He referred to the largest union in Alaska [GGU] as an example of an employer offering only electronic forms of pay.

[6:07:01 PM](#)

CHAIR BJORKMAN removed his objection.

[6:07:13 PM](#)

CHAIR BJORKMAN found no further objection and the SCS for HB 203 was adopted.

[6:07:21 PM](#)

CHAIR BJORKMAN solicited the will of the committee.

[6:07:25 PM](#)

SENATOR GRAY-JACKSON moved to report SCS HB 203, work order 33-LS0857\A, from committee with individual recommendations and attached fiscal note(s).

[6:07:40 PM](#)

CHAIR BJORKMAN found no objection and SCS HB 203(L&C) was reported from the Senate Labor and Commerce Standing Committee.

[6:08:02 PM](#)

At ease

HB 146-REGULATION OF FIREWORKS

[6:11:32 PM](#)

CHAIR BJORKMAN reconvened the meeting and announced the consideration of CS FOR HOUSE BILL NO. 146(STA):"An Act relating to fireworks; directing the Department of Public Safety to adopt fireworks regulations; and providing for an effective date."

[6:12:02 PM](#)

CHAIR BJORKMAN opened public testimony on HB 146; finding none, he closed public testimony.

[6:12:24 PM](#)

CHAIR BJORKMAN stated there was a proposed committee substitute.

[6:12:28 PM](#)

CHAIR BJORKMAN solicited a motion.

[6:12:30 PM](#)

SENATOR GRAY-JACKSON moved to adopt the Senate committee substitute (SCS) for CSHB 146, work order 33-GH1356\U as the working document.

[6:12:40 PM](#)

CHAIR BJORKMAN objected for purposes of explanation and requested an overview of the committee substitute by Ms. Purinton.

[6:12:51 PM](#)

LISA PURINTON, Director, Division of Statewide Services, Department of Public Safety, Juneau, Alaska, said the SCS amended section seven, titled "pyrotechnic licenses and permits" found on pages four and five of the SCS. She said the issue identified was related to the insurance requirements for these permits. She said these licenses were for large scale fireworks displays, like those in Juneau or Anchorage, and most areas, for the Fourth of July, or for Rondy. She noted that large scale fireworks displays require a special license and a permit. The way the bill was originally drafted, the insurance requirements were tied to the license, and should have been tied to the permit, so that the insurance requirement doesn't put an undue burden on the business to maintain insurance throughout the year when they only need the insurance at the time of the permit when the display of fireworks occurs. She noted that there were insurance requirements such as public liability insurance coverage to ensure that those protections are in place and certain time frames that would have to be met prior to scheduling a large-scale fireworks display. She concluded, saying that the SCS would amend HB 146 to properly place the insurance requirements with a permit [rather than with a license]. She noted the State Fire Marshall was available to provide technical information.

[6:14:52 PM](#)

CHAIR BJORKMAN removed his objection.

[6:14:56 PM](#)

CHAIR BJORKMAN found no further objection and the SCS for HB 146 was adopted.

[6:15:04 PM](#)

CHAIR BJORKMAN solicited the will of the committee.

[6:15:07 PM](#)

SENATOR GRAY-JACKSON moved to report SCS CSHB 146, work order 33-GH1356\U, from committee with individual recommendations and attached fiscal note(s).

[6:15:24 PM](#)

At ease.

[6:16:23 PM](#)

CHAIR BJORKMAN [reconvened the meeting].

[6:16:39 PM](#)

CHAIR BJORKMAN found no objection and SCS CSHB 146(L&C) was reported from Senate Labor and Commerce Standing Committee.

HB 233-RATES: MOTOR VEHICLE WARRANTY WORK

[6:16:53 PM](#)

CHAIR BJORKMAN reconvened the meeting and announced the consideration of CS FOR HOUSE BILL NO. 233(TRA) am "An Act relating to rates and time allowances for motor vehicle warranty work; and relating to unfair practices by manufacturers."

[6:17:15 PM](#)

CHAIR BJORKMAN opened public testimony on HB 233.

[6:17:39 PM](#)

DAVID BRIGHT, Senior Attorney, Alliance for Automotive Innovation, Washington, D.C., testified with concerns on HB 233. He said the Alliance for Automotive Innovation was the trade association representing automobile manufacturers. He noted that he submitted a written statement to the committee explaining automakers' concerns with HB 233 and a request that they not forward it. Rather than repeating the content of the letter, he said he wished to address testimony that this committee heard from the proponents of the bill, and to flag a problem that amendments to HB 233 create, which is introduce a perhaps unintended level of ambiguity into the bill relative to the [original] introduced version.

[6:18:25 PM](#)

MR. BRIGHT first addressed the amendments. He said the original version of HB 233 required manufacturers to pay car dealers the number of hours that that particular dealer charged retail customers for similar work. The [subsequent] B and C versions of HB 233 instead required manufacturers to pay not less than the time allowances provided in independent labor time guides. He explained that the problem with that is that there were several

independent labor time guides, and they don't always agree with each other on the amount of time for repair. So, he said, what this language would do is create a situation where the manufacturer doesn't know even what it's supposed to pay, which he said he suspected, was an unintended consequence. He referred to the aforementioned written statement and emphasized that none of this is even necessary, because, again, the manufacturer time guides are still the only ones that actually measure the amount of time that's necessary to complete a repair.

6:19:28 PM

MR. BRIGHT commented on a discussion of an economic study that the Alexa Automobile Dealers pointed to that came from Illinois, looking at the statute that Illinois passed recently. He said that study does, in fact, not support the assertion that HB 233 helps jobs. He highlighted two things. First, figure four [of the report from Illinois], which looks at the change in employment for applicable number of employees at dealers in Illinois which, again, passed the law, compared to neighboring states which did not. He pointed out that after two years, the difference in employment is only 0.3 percent. He opined that was not much of a jobs bill. He referred to figure seven [of the report from Illinois], which looked at the change in earnings for dealer employees in Illinois, which passed the bill, compared to earnings for dealer employees in neighboring states that did not pass [a bill like HB 233]. He noted both groups enjoyed wage increases. He said the [Indisc.] was only 2.9 percent and given that the bill called for a 50 percent increase in the amount that manufacturers pay for warranty labor and given the amount of such labor that dealers do, one would expect that quite a bit more than 2.9 percent would have been the amount of wage increases for dealers working in Illinois.

6:21:11 PM

NICOLINA HERNANDEZ, Regional Director, Government Affairs, Toyota Motors NA, Sacramento, California, testified with concerns on HB 233. She said Toyota would always value their Toyota and Lexus dealers in Alaska. She said the Toyota and Lexus dealers in Alaska seemed satisfied with Toyota's [warranty repair] time allowances. She reported that in 2022 and 2023 zero Alaska dealers requested flat time adjustments. Nationally, she said, Toyota did receive 24 requests in 2022 and about 50 percent of that last year. She said it was with this feedback that Toyota makes adjustments to increase the [warranty repair] time allowances. She said that last year, 11 states reviewed warranty rate legislation, and all but one were rejected. She said that now, only four states total in the US have third party

time guides in the books. She said Toyota had come to understand that technician pay specifically had not increased commensurate with the increases in the rates charged. She sought to emphasize that it was in Toyota's best interest to make sure that dealers are profitable, that they're fully reimbursed in a timely manner, and if for any reason they need additional compensation, Toyota works with their field technicians hand in hand to make sure that they're paid that additional time. She said Toyota continues to have concerns, however, with the HB 233, even with the third-party time guide language. She said third party time guides were not intended for franchise dealers. Third Party time guides use multipliers on Toyota's time allowances to determine their rates, which meant they would inherently be higher. She said that meant it would cost more when customers service their cars and trucks [through third parties]. She said third party time guides would also affect the cost of selling vehicles, and importantly, the cost of ownership and the cost of long-term loyalty to Toyota's Alaska dealers.

[6:23:15 PM](#)

MS. HERNANDEZ concluded that Toyota remained sympathetic to the workforce challenges. She emphasized that nothing explicitly linked the additional charges to technician pay. She said Toyota wanted all dealers to have the best [employees] selling and servicing their cars; and wanted folks to drive away happy and feel good about coming back to them. She said Toyota was engaged on this issue and wanted to continue the discussion to find a solution that would put customers first.

[6:23:54 PM](#)

CHAIR BJORKMAN [closed public testimony on HB 233.]

[6:24:15 PM](#)

CHAIR BJORKMAN solicited the will of the committee.

[6:24:16 PM](#)

SENATOR GRAY-JACKSON moved to report CSHB 233(TRA) am from committee with individual recommendations and attached fiscal note(s).

[6:24:34 PM](#)

CHAIR BJORKMAN found no objection and CSHB 233(TRA) am was reported from the Senate Labor and Commerce Standing Committee.

[6:24:50 PM](#)

At ease

HB 251-EXEMPTIONS FOR HOMEMADE FOODS

[6:26:19 PM](#)

CHAIR BJORKMAN reconvened the meeting and announced the consideration of CS FOR HOUSE BILL NO. 251(L&C) am "An Act exempting certain foods and drinks prepared in an uninspected kitchen from state labeling, licensing, packaging, permitting, and inspection requirements; and permitting a person to acquire meat from a producer by way of an ownership share in an animal if certain conditions are met."

[6:26:53 PM](#)

RYAN MCKEE, Staff, Representative George Rauscher, Juneau, Alaska, said HB 251 would help promote food security in Alaska. He said Alaska's food supply was fragile, with the overwhelming majority having to be imported from out of state. He noted that a huge lack of homegrown food industries created a strain on local communities across the state. He said HB 251 would allow a producer to sell homegrown and/or farmed local food products to an informed end consumer and allow consumers to purchase meat directly from ranchers if [the meat product] complies with the animal share agreements. He said passing HB 251 would help put food on the tables of Alaskans and increase food security in Alaska.

[6:27:57 PM](#)

CHAIR BJORKMAN opened public testimony on HB 251.

[6:28:18 PM](#)

SARAH OATES, President, Alaska Cabaret, Hotel, Restaurant and Retailers Association (Alaska CHARR), Anchorage, Alaska, testified with concerns on HB 251. She said Alaska CHARR had over 700 members across Alaska communities and represented over 2000 hospitality establishments that employed over 30,000 workers around the state. She said Alaska CHARR was opposed to HB. She reported that:

- According to the Centers for Disease Control and Prevention, 48 million people get sick from food borne illnesses each year.
 - 128,000 are hospitalized
 - 3000 people die from foodborne illnesses each year

MS. OATES said Alaska Food Code required that certain food establishments, including those that prepare and sell potentially hazardous foods for human consumption, have at least one certified Food Protection Manager on staff. She said the

training for a Food Protection Manager thoroughly covered topics like foodborne illness and proper cooking temperatures.

MS. OATES, as the leader of an organization that taught the Food Protection Manager course, urged the committee to ensure that entrepreneurs were educated and consumers remained protected from foodborne illnesses by requiring that any business, or individuals that prepared for themselves potentially hazardous foods for personal consumption, would obtain good Protection Manager Certification.

[6:30:08 PM](#)

CHAIR BJORKMAN closed public testimony on HB 251.

[6:30:23 PM](#)

SENATOR DUNBAR asked for clarification about what changes HB 251 would provide. He specifically asked which food (products) would be eligible to buy and sell that were not eligible for sale prior to HB 251.

[6:31:07 PM](#)

MR. MCKEE deferred to Ms. Koeneman.

[6:31:26 PM](#)

CRYSTAL KOENEMAN, Legislative Liaison, Department of Environmental Conservation, Juneau, Alaska said Alaska's cottage food laws currently allowed for the sale of various baked goods, such as cupcakes, cookies, and cakes, as well as jellies and jams. She said HB 251 would include those things and would extend the allowable list to include potentially hazardous foods, like focaccia with cheese, and charcuterie boards with meats and cheeses and cream cheese frosting. She offered to provide a more extensive list if requested by the Senator.

[6:32:37 PM](#)

SENATOR DUNBAR noted that HB 251, [Section 1], subsection (h) allowed for meats and meat products. He asked what was already extant in the law and what would be changed [by HB 251]. He noted that baked goods were already allowed, and fruits and vegetables were already allowed. He asked whether the change was to allow for [the sale of] meats and cheeses.

[6:33:17 PM](#)

MS. KOENEMAN answered that items considered potentially hazardous, cream cheese, because of the water content and pH value for example, would be allowed under HB 251.

[6:33:51 PM](#)

SENATOR DUNBAR noted the use of the term hazardous and asked whether the Department of Environmental Conservation expected there to be more incidences of food borne illness with the passage of HB 251.

[6:34:19 PM](#)

MS. KOENEMAN expressed confidence on behalf of Representative Rauscher and the Department of Environmental Conservation food sanitation and safety team that HB 251 would not lead to more foodborne illness. She noted the direct producer-to-consumer nature of the sales in question and the safety sidebars already in place as [effective] consumer protections.

[6:35:17 PM](#)

CHAIR BJORKMAN held HB 251 in the Senate Labor and Commerce Standing Committee.

[6:35:31 PM](#)

At ease

SB 146-GAMING; ELECTRONIC PULL-TABS

[6:36:12 PM](#)

CHAIR BJORKMAN reconvened the meeting and announced the consideration of SENATE BILL NO. 146 "An Act relating to pull-tabs; relating to persons prohibited from involvement in gaming; and relating to the duties of the Department of Revenue."

[Before the committee is CS for HB 146, work order 33-GS1054\S, as the working document.]

[6:37:46 PM](#)

CHAIR BJORKMAN opened public testimony on SB 146.

[6:38:05 PM](#)

JOHN POWERS, Owner, Tudor Bingo Center, Anchorage, Alaska, testified in opposition to the CS for SB 146. He said he and other pull tab stakeholders had reviewed [the CS for SB 146]. He noted the announcement that there were some new changes coming out. He said the stakeholders simply could not assess the positive or negative impacts to the charities in such a short amount of time. He said they were putting together a group of Alaskan gaming industry experts to review all the impacts to the charities and businesses involved in charitable gaming. The charitable gaming group consisted of leaders from all the different gaming types, such as Multiple-beneficiary permit

holders (MBPs), vendors, self-directed operators like himself, fraternal organizations and distributors. He said they did not include electronic pull tab manufacturers, because the assembled group believed the manufacturers had a conflict of interest and didn't necessarily keep the charities' interests in the forefront of changes to the regulation. He said the assembled charitable gaming group had scheduled meetings and were recruiting from the different types of gaming operations and different geographic locations around the state of Alaska. He noted that Senators Gray-Jackson and Dunbar agreed that it was a good idea for Alaskans involved in charitable gaming to tackle this issue and see if they could come up with some kind of electronic pull tab legislation that would benefit the charities more than the manufacturers.

[6:40:17 PM](#)

CHAIR BJORKMAN asked whether Mr. Powers could suggest an appropriate number for the limit to the number of pull tab devices in a store.

[6:40:31 PM](#)

Mr. Powers said the stakeholders had not had an opportunity to assess that. He explained that it would depend in part on the size and type of the establishment. He noted that he operated a 1,200 square foot pull tab store and a 20,000 square foot bingo hall. He explained that the assembled group of shareholders intended to consider this type of factor and layout some sidebars.

[6:41:38 PM](#)

SENATOR MERRICK mentioned that she had a conflict of interest because a charity her husband led received charitable gaming proceeds from the Tudor Bingo Center (Mr. Powers' establishment).

[6:42:10 PM](#)

DAVID LAMBERT, Charitable Gaming, Fairbanks, Alaska, testified on HB 146. He expressed support for the ongoing legislative changes in charitable gaming, however, he emphasized the complexity of the changes and the need for a task force to protect nonprofit interests. He highlighted the current regulations' lack of restrictions on machine placement and the necessity to safeguard nonprofits. He raised concerns about increasing machine profit limits to \$5 million, as many nonprofits would not have the opportunity to receive funds until another charity organization "maxes out". Lambert advocated for collaboration among the stakeholders over the summer to

formulate a legislative framework for that would support the nonprofit organizations.

[6:43:57 PM](#)

CHAIR BJORKMAN said he looked forward to working with the charitable gaming stakeholders to deliver [good legislation] for the nonprofits.

[6:44:20 PM](#)

CHAIR BJORKMAN closed public testimony on SB 146.

[6:44:23 PM](#)

[CHAIR BJORKMAN held SB 146 in the Senate Labor and Commerce Standing Committee.]

[6:44:41 PM](#)

There being no further business to come before the committee, Chair Bjorkman adjourned the Senate Labor and Commerce Standing Committee meeting at 6:44 p.m.