

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

January 27, 2025

3:16 p.m.

**MEMBERS PRESENT**

Representative Zack Fields, Co-Chair  
Representative Carolyn Hall, Co-Chair  
Representative Ashley Carrick  
Representative Robyn Niayuq Burke  
Representative Dan Saddler  
Representative Julie Coulombe  
Representative David Nelson

**MEMBERS ABSENT**

All members present

**OTHER LEGISLATORS PRESENT**

Senator Kelly Merrick

**COMMITTEE CALENDAR**

HOUSE BILL NO. 68

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

- HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: HB 68

SHORT TITLE: ALCOHOL: SALE, WARNING SIGNS

SPONSOR(s): LABOR & COMMERCE

01/24/25	(H)	READ THE FIRST TIME - REFERRALS
01/24/25	(H)	L&C, HSS
01/24/25	(H)	L&C WAIVED PUBLIC HEARING NOTICE, RULE 23 (A)
01/27/25	(H)	L&C AT 3:15 PM BARNES 124

**WITNESS REGISTER**

EVAN ANDERSON, Staff  
Representative Zack Fields

Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Gave the sectional analysis for HB 68 on behalf of the bill sponsor, House Labor and Commerce Standing Committee, on which Representative Fields serves as co-chair.

JOE BANKOWSKI, Enforcement Supervisor  
Alcohol & Marijuana Control Office  
Department of Commerce, Community & Economic Development  
Anchorage, Alaska

**POSITION STATEMENT:** As an invited testifier, answered questions during the hearing on HB 68.

LEE ELLIS, Board President  
Brewers Guild of Alaska  
Anchorage, Alaska

**POSITION STATEMENT:** As an invited testifier, testified in support of HB 68.

RALPH SAMUELS, Vice President of External Affairs  
Holland America Princess  
Anchorage, Alaska

**POSITION STATEMENT:** As an invited testifier, testified in support of HB 68.

SARAH OATES HARLOW, President & CEO  
Alaska Cabaret, Hotel, Restaurant and Retailers Association  
Anchorage, Alaska

**POSITION STATEMENT:** As an invited testifier, testified in support of HB 68.

DAVID MCCARTHY, Owner & Founder  
Northern Hospitality Group  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of HB 68.

DIANE THOMPSON, President  
Alaska Hospitality Retailers  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of HB 68.

AARON OSTERBACK, Representing Self  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in opposition to HB 68.

TIFFANY HALL, CEO  
Recover Alaska

Anchorage, Alaska

**POSITION STATEMENT:** Testified in opposition to HB 68.

**ACTION NARRATIVE**

[3:16:36 PM](#)

**CO-CHAIR ZACK FIELDS** called the House Labor and Commerce Standing Committee meeting to order at 3:16 p.m. Representatives Carrick, Burke, Hall, and Fields were present at the call to order. Representatives Saddler, Coulombe, and Nelson arrived as the meeting was in progress.

**HB 68-ALCOHOL: SALE, WARNING SIGNS**

[Contains discussion of HB 37.]

[3:17:00 PM](#)

CO-CHAIR FIELDS announced that the only order of business would be HOUSE BILL NO. 68, "An Act relating to the sale of alcohol; and relating to the posting of warning signs for alcoholic beverages."

CO-CHAIR FIELDS noted that HB 68 is identical to legislation nearly passed during the Thirty-Third Alaska State Legislature, with one change being the bill would go into effect 90 days after passage.

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EVAN ANDERSON, Staff, Representative Zack Fields, gave the sectional analysis for HB 68 [copy included in the committee file] on behalf of the bill sponsor, House Labor and Commerce Standing Committee, on which Representative Fields serves as co-chair. The sectional analysis read as follows [original punctuation provided]:

**Section 1. Amends AS 04.09.210(c) - Restaurant or eating place license**

Allows the board to issue or renew a license if there is supervision on the premises to ensure that those under 21 will not obtain alcoholic beverages except if they are employed per new AS 04.09.049(d).

**Section 2. Amends AS 04.09.210(d) - Restaurant or eating place license**

Authorizes the license holder to employ those aged 16 to 21 years but requires adequate supervision to employees who are 16 or 17 years of age, so they do not obtain alcoholic beverages.

**Section 3. Amends AS 04.09.250(c) - Theater license**

Expands the time period in which a theater license holder may sell or serve alcoholic beverages in designated areas. Removes intermission language.

**Section 4. Amends AS 04.09.360(c) - Seasonal restaurant or eating place tourism license**

Allows the board to issue or renew a license if there is supervision on the premises to ensure that those under 21 will not obtain alcoholic beverages except if they are employed per new AS 04.09.049(d).

**Section 5. Amends AS 04.09.360(f) - Seasonal restaurant or eating place tourism license**

Authorizes the license holder to employ those aged 16 to 21 years but requires adequate supervision to employees who are 16 or 17 years of age, so they do not obtain alcoholic beverages.

**Section 6. Amends AS 04.09.450(d) - Restaurant endorsement**

Allows the board to issue an endorsement if there is supervision on the premises to ensure that those under 21 will not obtain alcoholic beverages except if they are employed per new AS 04.09.049(d).

*Prepared by the Office of Representative Fields 2*

**Section 7. Amends AS 04.09.450(e) - Restaurant endorsement**

Authorizes the license holder to employ those aged 16 to 21 years but requires adequate supervision to employees who are 16 or 17 years of age, so they do not obtain alcoholic beverages.

**Section 8. Amends AS 04.16.049(d) - Access of persons under the age of 21 to licensed premises:**

Allows those who are aged 18, 19, or 20 employed by a licensee to serve, sell, deliver, and dispense alcoholic beverages. Adds "and, other than for the business that offers adult entertainment" to ensure that adult entertainment establishments are excluded.

**Section 9. Amends AS 04.16.049(h) - Access of persons under the age of 21 to licensed premises:**

Allows those under the age of 21 to be present on the licensed premises of a theater license holder if the person is at least 16 years of age; if they are under 16, they must be accompanied by a person who is at least 21

years of age, and a parent or legal guardian of the underaged person consents.

**Section 10. Amends AS 04.16.052(a) - *Furnishing of alcoholic beverages to persons under the age of 21 by licensees*:** Allows licensees or an agent or employee of the license to allow another person to sell, barter, or give an alcoholic beverage to a person under the age of 21 years only under the provisions in AS 04.16.049(d).

**Section 11. Amends 04.21.065(b) - *Posting of warning signs***

Requires 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."

**Section 12. Amends 04.21.080 - *Definitions***

Adds paragraph (31) to read "business that offers adult entertainment" has the meaning given in AS 23.10.350(f).

**Section 13. Repeals AS 04.09.250(d) - *Theater license***

Repeals the provision that prohibits the sale, service, and consumption of alcoholic beverages in the audience viewing area of a theater.

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CO-CHAIR FIELDS, in response to a question from Representative Saddler, affirmed that he had consulted a majority of committee members regarding committee sponsorship for HB 68.

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The committee took a brief at-ease at 3:23 p.m.

[3:24:37 PM](#)

REPRESENTATIVE COULOMBE asked about the definition of "adequate supervision" in the provisions of HB 68. She further asked whether licensees would receive a fine if they did not provide "adequate supervision".

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JOE BANKOWSKI, Enforcement Supervisor, Alcohol & Marijuana Control Office, Department of Commerce, Community & Economic Development (DCCED), responded that there is not a set definition of adult supervision. He stated someone over the age of 21 would be present and in the general vicinity of an underage individual to monitor their activities.

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REPRESENTATIVE COULOMBE asked whether "adult supervision" would be more appropriate than "adequate".

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MR. BANKOWSKI responded that the expectation would be adult supervision.

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REPRESENTATIVE CARRICK stated that in supporting documents [included in the committee file], the state-by-state comparison appeared to make distinction between the minimum age to serve and minimum age to bartend. Representative Carrick asked whether the language of HB 68 is more akin to the State of Georgia's law, where the minimum age to serve and bartend is 18; or the State of California's law, where the minimum age to serve is 18, whereas the minimum age to bartend is 21.

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CO-CHAIR FIELDS stated that invited and public testifiers would likely answer the question. Co-Chair Fields began invited testimony on HB 68.

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LEE ELLIS, Board President, Brewers Guild of Alaska, stated that there is not a widespread interest in employing underage individuals; however, a lack of staffing has become an issue of significance. He stated there are a lot of jobs that would allow young people the flexibility to work part-time, particularly in the busy Alaska summers. He stated HB 68 would allow for more employees in the areas of retail, delivery, cooking, and warehouse work. He expressed support for HB 68.

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RALPH SAMUELS, Vice President of External Affairs, Holland America Princess (HAP), stated that HAP hires an estimated 3,500 to 4,000 seasonal workers every year. He stated HAP operates many hotels in Alaska, including the Kenai Princess, the Copper Princess, the McKinley Princess, the Riverside Princess Lodge, the Westmark (Fairbanks, Alaska), the Holland-America Denali Lodge, and the Denali Princess (largest hotel in Alaska). Between all the properties, Mr. Samuels noted that there are approximately 25-30 restaurants, ranging from coffee bars to high-end seasonal restaurants. He stated that 18- to 20-year-olds can work in an industry where they would make tips. Additionally, they would have an opportunity earlier in their lives to become supervisors and learn valuable skills in business management. He stated that the tourism industry loses a lot of people between the ages of 18-20 to other jobs. He expressed support for HB 68, and thanked committee members for acting swiftly to pass the bill.

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SARAH OATES HARLOW, President & CEO, Alaska Cabaret, Hotel, Restaurant and Retailers Association (CHARR), stated that CHARR represents 2,000+ hospitality establishments and employs 36,000+ workers across the state. She stated that Alaska's hospitality industry continues to face significant ongoing challenges to business operations, the largest of which being work shortages. Along with Utah and Nevada, Alaska is one of three states that does not allow employees younger than 21 to serve alcohol. She stated that employers struggle to retain employees 18-20 years old, and the hospitality industry is experiencing out migration of young workers. She stated that Alaska is not competitive in the hospitality industry. Ms. Oates Harlow finished with an anecdote, stating that when she was a young woman, she served and bartended while in college in the Pacific Northwest (PNW). She chose to remain in the PNW during her school breaks, instead of returning to Alaska, so that she could continue to serve and bartend. Ms. Oates Harlow affirmed her support for HB 68, stating hospitality is Alaska's second largest industry.

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CO-CHAIR FIELDS opened public testimony on HB 68.

[3:36:45 PM](#)

DAVID MCCARTHY, Owner & Founder, Northern Hospitality Group, testified in support of HB 68. He agreed that HB 68 could

partially address the current labor shortage in the hospitality industry. He stated that 47 other states have already adopted changes like HB 68, and there is a longstanding framework already in place. He maintained that the bill would build a stronger community. He stated that required Training for Alcohol Professionals (TAPs) means employees of all ages would be educated on the dangers of alcohol. Mr. McCarthy asserted that no guests or staff under the age of 21 would be consuming alcohol. He offered his belief that working in hospitality creates critical-thinking, problem-solving, and decision-making skills. He noted there is flexibility in work shifts, and additional financial incentives for young adults due to the tipping nature of many of the jobs.

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REPRESENTATIVE SADDLER asked about the estimated effectiveness of alcohol signs that are currently posted, as required by Alaska state law.

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MR. MCCARTHY offered his belief that there is a public understanding that drinking may harm health. He maintained that the alcohol signs are an important public reminder; however, he does not think that consumers would change their drinking habits based on warnings posted on signs.

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REPRESENTATIVE SADDLER asked whether Mr. McCarthy agreed that the addition of cancer provisions on alcohol warning signs is unlikely to influence alcohol consumption habits.

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MR. MCCARTHY responded that it's difficult to predict whether it would have a significant effect. Ultimately, the information is public. He cannot directly say that it would change the usage, nor would he support adding cancer provisions for fear of it decreasing alcohol sales.

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REPRESENTATIVE SADDLER asked whether Mr. McCarthy believed there were any other warning signs that would be appropriate to post at establishments serving alcohol.

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MR. MCCARTHY responded that the requirement to provide identification (ID) is the rule that would have the most impact on underage drinking. He remarked that he could not think of any other hazards to post that have not already been made public information.

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DIANE THOMPSON, President, Alaska Hospitality Retailers, testified in support of HB 68. She stated she is one of the owners of Firetap Alehouse in Anchorage, Alaska. She offered her belief that the [hospitality] workforce in Anchorage is "weak." In response to a repeated question from Representative Saddler, she stated her belief that the sign with the greatest impact on alcohol consumption is the sign warning people that if they drive drunk, they could lose their [license]. She agreed with Mr. McCarthy, noting that health hazards associated with consumption of alcohol are public.

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AARON OSTERBACK, Representing Self, testified in opposition to HB 68. He stated he is a lifelong Alaskan, Aleut, and a parent of three children. He stated his belief that the hospitality industry should not look to the youth to fill labor shortages and should instead investigate the causes of labor shortages. He stated that overconsumption of alcohol is an issue of significance in Alaska, particularly for Alaska Natives. He asserted that safeguards [to prevent underage drinking] described by previous testimony would be ineffective. He opined that a bar environment is not suitable for minors as a place of work. He stated that he sees patrons in bars and restaurants often overserved, and asked what the protocol might look like for a minor serving an adult who is overly intoxicated. Mr. Osterback felt that working as a minor in an environment serving alcohol could open of avenues of abuse. He stated his belief that working at a coffee shop or fast-food restaurant would be more of an appropriate introduction to the hospitality industry for youth entering the workforce. Mr. Osterback posed a question to committee members, asking if they would feel comfortable with their children/grandchildren serving alcohol under the provisions of HB 68.

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TIFFANY HALL, CEO, Recover Alaska, testified in opposition to HB 68. Ms. Hall asserted that exposure to alcohol at a young age undermines public health objectives, increases community costs, and places vulnerable youth at greater risk of harassment, exploitation, and trauma. Research shows early exposure to alcohol normalizes underage drinking, leading to higher rates of alcohol misuse, long-term health consequences, and alcohol-related fatalities. She argued that lowering the legal age to serve would not effectively address the labor shortage. Instead, the hospitality industry should focus on increasing wages, better working conditions, and automation to attract a workforce. She noted that underage alcohol consumption is "one of the very few areas" where Alaska is performing above the national average. She stated that younger employees in environments serving alcohol face a higher risk of sexual harassment. Additionally, she stated the restaurant industry reports high rates of child labor violations and maintained that lowering the server age would exacerbate existing issues of child labor violations in the industry. Ms. Hall asked for additional amendments, should HB 68 pass, including increased licensee liability for all violations involving underage employees, mandated public health involvement or review of the TAPs training, raised age limit to 19 years old, limited hours underage employees are allowed to work, and required statewide mandatory ID checks. In response to an earlier question from Representative Saddler, Ms. Hall noted that Recover Alaska strongly supported the provisions in HB 68 for cancer warnings. She urged the committee to look at Representative Gray's bill [HB 37], which she stated is about freedom of information. Ms. Hall cautioned that alcohol is the third-leading preventable cause of cancer, and cancer is the leading cause of death in Alaskans.

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CO-CHAIR FIELDS closed public testimony on HB 68.

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CO-CHAIR FIELDS stated that he would be comfortable with his children serving alcohol under HB 68, in response to Mr. Osterback's question. He asked Mr. Bankowski to address Representative Carrick's question from earlier in the hearing.

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MR. BANKOWSKI stated his belief that a distinction would need to be made between a bar and restaurant venue. He believed that the bill does not allow for 18- to 20-year-olds to serve at standalone bars. He offered his belief that the intention is for 18- to 20-years-olds to serve at facilities with a beverage dispensary license and a restaurant endorsement.

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REPRESENTATIVE CARRICK asked whether an 18- to 20-year-old would be able to work behind a bar and serve tables at a business like Glacier Brewhouse in Anchorage, Alaska, which has both a bar and a restaurant.

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MR. BANKOWSKI answered that was his interpretation, if the business were eligible under HB 68.

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REPRESENTATIVE CARRICK restated that an 18- to 20-year-old could, under HB 68, work at a restaurant/bar, but they could not work at a standalone bar, such as [Darwin's Theory] in Anchorage, Alaska.

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MR. BANKOWSKI confirmed that was his interpretation.

[4:00:32 PM](#)

REPRESENTATIVE SADDLER asked Ms. Hall about the estimated effectiveness of alcohol signs that are currently posted, as required by Alaska state law.

[4:00:57 PM](#)

MS. HALL responded that she did not have numbers on the current warning signs, but that she would research the question. She cited a study in Canada, wherein a short trial concluded that alcohol consumption was reduced by 6 percent when consumers were made aware of its carcinogenic effects. In response to a follow-up question from Representative Saddler as to why Ms. Hall supported HB 37, she explained that she strongly opposed the service of alcohol by 18- to 20-year-olds but strongly supported the inclusion of provisions for cancer warnings in

signs posted in establishments serving/selling alcohol. She noted that HB 37 pertains only to the inclusion of cancer warnings in signs posted in establishments serving/selling alcohol.

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CO-CHAIR FIELDS announced the amendment deadline for HB 68 is 9 a.m., Wednesday, January 29.

[HB 68 was held over.]

[4:02:20 PM](#)

#### **ADJOURNMENT**

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at 4:02 p.m.