

ALASKA STATE LEGISLATURE
HOUSE LABOR AND COMMERCE STANDING COMMITTEE

January 29, 2025

3:15 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

COMMITTEE CALENDAR

HOUSE BILL NO. 57

"An Act relating to wireless telecommunications devices in public schools; and providing for an effective date."

- HEARD & HELD

HOUSE BILL NO. 68

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

- MOVED HB 68 OUT OF COMMITTEE

HOUSE BILL NO. 49

"An Act relating to tobacco, tobacco products, electronic smoking products, nicotine, and products containing nicotine; raising the minimum age to purchase, exchange, or possess tobacco, a product containing nicotine, or an electronic smoking product; relating to the tobacco use education and cessation fund; relating to the taxation of electronic smoking products and vapor products; and providing for an effective date."

- HEARD & HELD

HOUSE BILL NO. 34

"An Act establishing the Alaska Innovation Council; and relating to financial disclosures for members of the Alaska Innovation Council."

- BILL HEARING CANCELED

PREVIOUS COMMITTEE ACTION

BILL: HB 57

SHORT TITLE: COMMUNICATION DEVICES IN PUBLIC SCHOOLS

SPONSOR(s): REPRESENTATIVE(s) FIELDS

01/22/25 (H) READ THE FIRST TIME - REFERRALS
01/22/25 (H) L&C, EDC
01/29/25 (H) L&C AT 3:15 PM BARNES 124

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
01/27/25 (H) Heard & Held
01/27/25 (H) MINUTE (L&C)
01/29/25 (H) L&C AT 3:15 PM BARNES 124

BILL: HB 49

SHORT TITLE: TOBACCO/NICOTINE/E-CIG AGE; E-CIG TAX

SPONSOR(s): HANNAN

01/22/25 (H) READ THE FIRST TIME - REFERRALS
01/22/25 (H) L&C, FIN
01/29/25 (H) L&C AT 3:15 PM BARNES 124

WITNESS REGISTER

KELLY LESSENS, Individual Member
Anchorage School Board
Anchorage, Alaska

POSITION STATEMENT: As an invited testifier, supported HB 57, with some recommendations for change.

DEENA BISHOP, Commissioner

Department of Education and Early Development
Juneau, Alaska

POSITION STATEMENT: As an invited testifier, testified in support of and answered questions during the hearing on HB 57.

KIM WHITMAN, Co-Founder
Phone Free Schools Movement
Overland Park, Kansas

POSITION STATEMENT: As an invited testifier, testified in support of HB 57, with some recommendations for change.

DAVE BOOTH, Principal
Palmer High School
Palmer, Alaska

POSITION STATEMENT: As an invited testifier, testified in support of and answered questions during the hearing on HB 57.

LON GARRISON, Executive Director
Association of Alaska School Boards
Juneau, Alaska

POSITION STATEMENT: As an invited testifier, answered questions during the hearing on HB 57.

JOE BANKOWSKI, Enforcement Supervisor
Alcohol and 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.

REPRESENTATIVE SARA HANNAN
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: As prime sponsor presented HB 49.

HUNTER MEACHUM, Staff
Representative Sara Hannan
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: As staff to Representative Hannan, prime sponsor of HB 49, gave an introductory presentation on HB 49, and read the sectional analysis.

JOE DARNELL, Chief Investigator
Division of Behavioral Health
Department of Health

Anchorage, Alaska

POSITION STATEMENT: As an invited testifier, answered questions during the hearing on HB 49.

KATIE STEFFENS, Deputy Program Manager
Tobacco Prevention and Control Program
Department of Health
Anchorage, Alaska

POSITION STATEMENT: As an invited testifier, answered questions during the hearing on HB 49.

ACTION NARRATIVE

[3:15:37 PM](#)

CO-CHAIR ZACK FIELDS called the House Labor and Commerce Standing Committee meeting to order at 3:15 p.m. Representatives Carrick, Burke, Saddler, Coulombe, Nelson, Hall, and Fields were present at the call to order.

HB 57-COMMUNICATION DEVICES IN PUBLIC SCHOOLS

[3:15:46 PM](#)

CO-CHAIR FIELDS announced the first order of business would be HOUSE BILL NO. 57 "An Act relating to wireless telecommunications devices in public schools; and providing for an effective date."

CO-CHAIR FIELDS stated that the committee would begin with invited testimony on HB 57.

[3:16:27 PM](#)

KELLY LESSENS, Individual Member, Anchorage School Board, as an invited testifier, supported HB 57 with some recommendations for change. Ms. Lessens stated HB 57 would direct school districts to develop and adopt a policy that would prohibit the use of non-school issued electronic devices during the school day, including during passing and lunch periods. She stated her concern that cellphones are distracting, and that students are becoming increasingly dependent on them. She stated that there are 18 states that have laws restricting or prohibiting the use of cell phones during school hours. She noted that the Department of Education and Early Development (DEED) passed a resolution in the fall [2024] recommending the Anchorage School

District (ASD) revise its cell phone policy. The department also drafted a model cell phone policy. Ms. Lessens offered one recommendation for a committee substitute (CS) regarding regulated accessibility to electronic communication devices (ECDs) dependent on a student's level in school. She posted that devices become more essential as students progress through school. She proposed language specifying that elementary and middle school students would not be permitted to access ECDs during the day, only before or after the school day. Additionally, she stated that high school students, particularly those with academic or curricular needs, would not be permitted to access ECDs during the day, unless directed to do so by their teachers in order to accomplish a specific academic purpose that could otherwise not be accomplished by devices provided by the district. She offered an anecdote, recounting that staff have difficulty "policing" cell phones, given that students outnumber staff members in every school.

[3:24:12 PM](#)

DEENA BISHOP, Commissioner, Department of Education and Early Development, as an invited testifier, testified in support of and answered questions during the hearing on HB 57. Commissioner Bishop cited findings from the book, titled The Anxious Generation by Jonathan Haidt, and Johann Hari's work on focus and mental health. She stated that recently published research on the "anxious generation" reported an increase in anxiety, depression, and loneliness among teenagers. These increases are linked with the advent of smart phones and social media. Unlike prior generations, Commissioner Bishop noted, modern teenagers are navigating a digital world facilitated by endless notifications, constant comparison, and fear of missing out (FOMO). Social media algorithms' sole focus is content that drives engagement, and research shows that negative content increases engagement. Commissioner Bishop stated that research shows visual platforms like Snapchat and Instagram increase issues with body image, whereas anonymous platforms like Yik Yak increase incidents of harassment online. Commissioner Bishop argued that removing cell phones during school hours gives students a reprieve from the "constant connectivity" and allows them to focus on learning and personal growth. She cited Johann Hari's book, Stolen Focus, stating that the addictive design of apps and platforms, combined with interruptions, makes it nearly impossible to concentrate on a deeper level. She asserted that removing cellphones from classrooms would allow for students to maintain attention. Adolescents spend an average of seven hours

daily on screens, much of which is on social media. Both Jonathan Haidt and Johann Hari emphasized the importance of face-to-face interactions for emotional growth and bonding in their respective bodies of work.

COMMISSIONER BISHOP stated when cellphones are removed from schools, students are encouraged to engage directly with their peer and teachers, allowing them to practice engaging in real-world dynamics. She stated that Haidt, in The Anxious Generation, found links between cell phone usage and sleep deprivation. Commissioner Bishop maintained that unrestricted phone use during school hours increases the risk of cyberbullying, a significant contributor to anxiety and depression in teens. In 2021, the Pew Research Center reported that 59 percent of U.S. teens experienced cyberbullying, the most common activities being offensive name-calling, spreading false rumors, and receiving explicit images without consent. She noted that online harassment can escalate quickly and reach a wider audience over time. In 2018, a study published in Science Magazine found that false or negative news spread at a rate of six times faster on Twitter, than positive or neutral news. The Pew Research Center also found that negative content on platforms like Facebook receive higher engagement, via likes and shares. In 2019, the Journal of School Violence reported that 35 percent of bystanders who witness cyberbullying engage in it by forwarding the content. She asserted that social media platforms are designed to exploit human psychology, particularly the negativity bias. She concluded that a technology as pervasive as cell phones requires systemic solutions. She asserted that a phone-free environment in school empowers students to focus on their education, connect with peers, and develop resiliency. Finally, she stated that HB 57 is aligned with the model policy recommendations as put out by DEED.

[3:34:33 PM](#)

KIM WHITMAN, Co-Founder, Phone Free Schools Movement, as an invited testifier, testified in support of HB 57 with some recommendations for change. Ms. Whitman stated research found that 97 percent of students use phones during the school day for an average of 43 minutes, typically spent on social media applications ("apps"), gaming apps, or YouTube. She stated that one-third of teenagers report being exposed to pornography at school, 35 percent of teenagers admitted to using their cell phone to cheat, and 65 percent of students report distractions via electronic devices in the classroom. She stated that 72

percent of U.S. high school students report cell phones as a major problem in the classroom. In 2017, the Brain Drain study found that the presence of a phone, even when silenced and stowed away, reduced cognitive capacity. The study found that students perform best on tests and when learning new materials when their cellphones are stored in separate rooms. The National Education Association (NEA) conducted a poll with results finding that 83 percent of members support prohibiting cell phone usage during the entire school day, from the first bell to the last bell. She noted that, in 2023, the U.S. surgeon general advised that learning time and social time in schools be phone-free.

MS. WHITMAN offered modifications for HB 57. She recommended the removal of exceptions for emergency purposes, noting that first responders and experts suggest that students should be focused on listening to instructions in the event of an emergency, not communicating with parents. She remarked that, if students were instructed to hide in the event of an emergency, the notification of a phone could alert an intruder to the student's location. She noted the increased parent presence on campus in the event of an emergency could block evacuation efforts. Additionally, she said high call volumes could overwhelm communication systems, and potentially block phone lines. Ms. Whitman also recommended the addition of an exception for documented medical or Individualized Educational Program (IEP) needs, such as a child with diabetes who uses their phone to track their insulin levels. In addition, she recommended that HB 57 mandate the phone be stored separate from the person, due to the phone's addictive nature. Lastly, Ms. Whitman recommended adding provisions to prohibit students from accessing social media during the day, as well as restricting schools from communicating with children on social media. She added that parents should be given a choice in their children's presence on social media, and anecdotally, she shared that parents have voiced frustrations at schools' requirements for students to communicate with their peers/teachers/administration via social media. She reiterated her support of HB 57.

[3:40:13 PM](#)

DAVE BOOTH, Principal, Palmer High School, as an invited testifier, testified in support of and answered questions during the hearing on HB 57. Mr. Booth stated Palmer High School (PHS) banned cellphones from 7 a.m. to 2:15 p.m. approximately three years ago. In the area of discipline, Mr. Booth stated there

was a 43-percent decline in alcohol use by students, a 67-percent decline in drug use by students, and an 87.5-percent decline in vape/tobacco use. He stated that PHS had 36 cyberbullying infractions in the first semester of the previous year [2023-2024], and that the school has had two incidents thus far during the 2024-2025 school year. In the area of academics, Mr. Booth stated there was a 28 percent-reduction in failing grades between the first semester of the 2023-2024 school year and the first semester of the 2024-2025 school year. He reported that there was a 14 percent improvement in students passing Algebra I and declared similar statistics for English I. In response to earlier testimony, Mr. Booth offered his belief that there is no problem with "policing," as student will rise to meet high expectations. Mr. Booth asserted that students at PHS are happier, and more sociable.

MR. BOOTH stated that research shows that after a child looks at a cellphone in any capacity, the distraction lasts for approximately 20 minutes. He noted that PHS has six transition periods, amounting to 120 minutes of distraction (assuming the cellphones are accessed during transition periods) throughout a 5.5-hour school day. Mr. Booth stated that the school is safer without cellphones, due to the school's ability to monitor the content that students access throughout the day through school-owned devices. He stated that they [PHS staff] have been able to intervene when students have thoughts of self-harm or violence. He concluded that the cell phone ban has been a monumental transformation for PHS.

[3:46:31 PM](#)

CO-CHAIR FIELDS invited questions from committee members.

[3:46:39 PM](#)

REPRESENTATIVE COULOMBE asked whether there was a concern among local authorities if the state were to pass legislation regarding cell phone use. Additionally, she asked why ASD has not created its own policies regarding cell phone usage.

[3:47:27 PM](#)

MS. LESSENS responded that the existing policies regarding cell phone usage in ASD is out of date due to the diversity of the district. She added that she believed local control is

important and noted that being her reason for supporting a CS to allow for a little more nuanced HB 57.

[3:51:28 PM](#)

REPRESENTATIVE BURKE asked how many school districts currently have a cell phone policy.

[3:52:32 PM](#)

COMMISSIONER BISHOP responded that all districts have a cell phone policy. She said she would get back to Representative Burke regarding how many districts have cell phone restriction policy. In response to an earlier question from Representative Coulombe regarding local control, Commissioner Bishop posited that action needs to be taken at the state level, and that it will take a collective effort from students, parents, legislators, and educators to address the issues arising from cellphone use in schools.

[3:54:42 PM](#)

REPRESENTATIVE BURKE noted that there is language in the bill that requires districts adopt a policy. She asked whether the required policy must be the model policy recommended by DEED.

[3:55:08 PM](#)

CO-CHAIR FIELDS stated that he did not intend to prescribe a specific policy. He stated it is the intent of HB 57 to ban cell phones during the school day.

[3:55:30 PM](#)

LON GARRISON, Executive Director, Association of Alaska School Boards (AASB), as an invited testifier, answered questions during the hearing on HB 57. He noted that AASB has had a model cell phone policy for approximately 12 years. He remarked that when cell phones first came out, it was thought that they could be beneficial to the learning environment to some degree. He stated that there is already a comprehensive model policy that is not exclusive to cellphones. He offered his belief that there is an opportunity to modify existing policies, as opposed to starting over.

[3:57:55 PM](#)

REPRESENTATIVE CARRICK stated her support of the intent of the legislation. She voiced concerns about semi-urban and rural schools that use technology to conduct remote learning. She remarked that there are times when cell phones are used in place of malfunctioning devices. Representative Carrick stated that while she supported the ban of social media and phones in school, she is concerned about what might happen when school-owned technology malfunctions under HB 57. Representative Carrick asked whether DEED would fill in those resource gaps.

[3:59:21 PM](#)

COMMISSIONER BISHOP offered her belief that needing a cell phone to fulfill academic obligations does not outweigh the damage done by social media and cell phones. Commissioner Bishop stated that it is important that schools offer technology and other supports for learning in conjunction with a cell phone ban. She offered her belief that [teachers] will still be able to teach without cell phones in the classroom.

[4:00:52 PM](#)

REPRESENTATIVE CARRICK stated that HB 57 is not specific to social media use and acknowledged there is no way to write legislation to ban social media use on phones in school and allow academic use. She voiced her concern about the under-resourcing in schools in Alaska. Many students in districts use phones to connect to teachers, other students, and classrooms. She noted there are cases where students have no other way to connect to their educational institutions except for on their cell phones.

[4:01:47 PM](#)

MS. WHITMAN agreed with Co-Chair Fields in stating that, if students have access to their phones, they will use them for social purposes, not solely for academic purposes. She asserted that the issues regarding connectivity or lack of infrastructure in classrooms would need to be addressed separate from cell phone restriction policies.

[4:02:33 PM](#)

COMMISSIONER BISHOP, in response to questions regarding current policy and enforcement from Representative Nelson, explained

that there is a cell phone ban under the model policy. She echoed Principal Boothe in stating that when a school has high expectations, children will rise to meet those expectations.

[4:04:33 PM](#)

REPRESENTATIVE NELSON remarked that he doesn't see how HB 57 might be effective if current policies were not upheld. He noted the bill would allow exceptions for "emergency purposes" but does not define the term. He asked for the definition of "emergency purposes".

[4:05:33 PM](#)

CO-CHAIR FIELDS responded that he is inclined to look to state and local boards to define "emergency purposes". Additionally, in response to Representative Nelson's earlier comment, he clarified that while most school districts have a cell phone policy, many do not have a cell phone restriction.

[4:06:06 PM](#)

REPRESENTATIVE NELSON stated that in current policy, students are not supposed to have cell phones turned on or in the classroom, but many students still do so.

[4:06:16 PM](#)

CO-CHAIR FIELDS asked Commissioner Bishop to speak to how a day-long ban would be more effective.

[4:06:26 PM](#)

COMMISSIONER BISHOP stated that there is a difference between a day-long ban and the existing policies. She noted that [DEED] did not know how damaging cell phones were five years ago.

[4:07:03 PM](#)

The committee took an at-ease from 4:07 p.m. to 4:10 p.m.

[4:10:54 PM](#)

REPRESENTATIVE SADDLER asked Ms. Whitman to describe her organization. He asked Co-Chair Fields to distribute the draft and model policies from ASD, DEED, and AASB.

[4:11:49 PM](#)

MS. WHITMAN stated that the Phones Free School Movement is a nonprofit started by three moms. She stated she saw how cell phone use at schools was directly impacting her children and children around the world. After a year of working with school administrators across the United States, Ms. Whitman discovered three things that were paramount to a successful phone-free day: communication, clear policy, and consistent enforcement. She, along with the two other co-founders, created the Phone-Free Schools Administrator Toolkit, a roadmap on how to successfully implement bell-to-bell phone-free policy. She noted that she would circulate the "toolkit" with her written testimony.

[4:13:15 PM](#)

CO-CHAIR FIELDS, in response to Representative Saddler's request, responded that the committee would circulate Ms. Whitman's website.

[4:13:30 PM](#)

REPRESENTATIVE COULOMBE asked whether there was a financial cost for the cell phone ban at Palmer High School.

[4:13:57 PM](#)

MR. BOOTH responded yes and no. He explained that the administrators bought phone pouches for Palmer High School but did not receive enough support from the district office for the enforcement of pouch use. In the end, there was no cost, as PHS did not end up using pouches, and instead the policy was written such that phones must be turned off and be "off the student." This means that the phone can be in the backpack or in the student's locker, for example. He stated that when a student is seen with a phone during the school day, it is turned in to the [principal's] office. He remarked that, currently, PHS averages fewer than two cell phones taken from students daily.

[4:15:16 PM](#)

CO-CHAIR FIELDS asked Mr. Booth to send additional follow-up testimony in writing to the committee.

REPRESENTATIVE SADDLER requested that invited testifiers be made available for further hearings of HB 57.

[HB 57 was held over.]

HB 68-ALCOHOL: SALE, WARNING SIGNS

[Contains discussion of HB 37.]

[4:15:50 PM](#)

CO-CHAIR FIELDS announced that the next 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."

[4:16:10 PM](#)

The committee took a brief at-ease at 4:16 p.m.

[4:16:50 PM](#)

REPRESENTATIVE SADDLER moved to adopt Amendment 1 to HB 68, labeled 34-LS0340\N.1, C. Radford, 1/27/25, which read as follows:

Page 1, lines 1 - 2:

Delete "; and relating to the posting of warning signs for alcoholic beverages"

Page 6, lines 6 - 22:

Delete all material.

Renumber the following bill section accordingly.

[4:16:59 PM](#)

CO-CHAIR FIELDS objected for the purpose of discussion.

[4:17:01 PM](#)

REPRESENTATIVE SADDLER noted there are two elements of HB 68: lowering the age of service for alcohol, and cancer warning signs for alcoholic beverages. He remarked that the two elements are separate: the first is a workforce issue, while the second is a public health issue. He stated that while he is

in support of lowering the age of service for alcohol, there is another piece of legislation [HB 37] that mirrors the provisions in HB 68 for cancer warning signs for alcoholic beverages. He offered his belief that it is important to consider the two issues separately.

[4:18:18 PM](#)

CO-CHAIR FIELDS maintained his objection to Amendment 1 to HB 68. He stated that HB 37 would take an additional step in consolidating the number of signs that are posted in establishments. He remarked that he is in support of hearing HB 37, but not supportive of taking language out of HB 68 at this time. Co-Chair Fields noted further concerns that "opening the bill up" would result in delay for an important workforce bill. He felt a sense of urgency in giving the [hospitality] industry some predictability, considering the season typically starts at the beginning of summer.

[4:19:06 PM](#)

REPRESENTATIVE COULOMBE supported the amendment to separate the two issues. She noted there was a testifier who preferred HB 37 over the provisions in HB 68.

[4:19:36 PM](#)

REPRESENTATIVE SADDLER didn't see how Amendment 1 to HB 68 would cause delay. He argued that by taking the cancer warning provisions out, HB 68 would become a single-issue bill, thus allowing for smoother passage through the legislature.

[4:20:00 PM](#)

A roll call vote was taken. Representatives Nelson, Coulombe, and Saddler voted in favor of the motion to adopt Amendment 1 to HB 68. Representatives Burke, Carrick, Fields, and Hall voted against it. Therefore, Amendment 1 failed to be adopted by a vote of 3-4.

[4:20:41 PM](#)

REPRESENTATIVE SADDLER moved to adopt Amendment 2 to HB 68, labeled 34-LS0340\N.2, Bergerud/C. Radford, 1/28/25, which read as follows:

Page 2, line 17, following "beverages":

Insert "; the supervision described in this paragraph must be provided in person by a manager or supervisor of the business who is 21 years of age or older and who has been charged with the task of providing the supervision"

Page 3, line 20, following "beverages":

Insert "; the supervision described in this paragraph must be provided in person by a manager or supervisor of the business who is 21 years of age or older and who has been charged with the task of providing the supervision"

Page 4, line 16, following "beverages":

Insert "; the supervision described in this paragraph must be provided in person by a manager or supervisor of the business who is 21 years of age or older and who has been charged with the task of providing the supervision"

Page 4, line 26, following "beverages.":

Insert "A person employed as permitted under this subsection shall be supervised in person by a manager or supervisor of the business who is 21 years of age or older and who has been charged with the task of ensuring that the employee will not consume alcoholic beverages."

[4:20:48 PM](#)

CO-CHAIR HALL objected for the purpose of discussion.

[4:20:53 PM](#)

REPRESENTATIVE SADDLER stated that Amendment 2 to HB 68 clearly identifies and delineates the responsibilities for those supervising employees under the age of 21. He remarked that it is important that young people in the hospitality industry have guidance from someone who is older, and that this person is clearly identified as directly responsible for their supervision. He asserted that, from the owner's perspective, having clearly delineated supervision for employees under 21 will ease concerns for insurance providers about potential increased liability. He concluded that Amendment 2 to HB 68 is

good for owners of licensed premises, young workers, and public acceptance of HB 68.

[4:22:28 PM](#)

CO-CHAIR HALL maintained her objection to Amendment 2 to HB 68.

[4:22:37 PM](#)

CO-CHAIR FIELDS asked for the definition of "adequate supervision" under HB 68.

[4:23:45 PM](#)

JOE BANKOWSKI, Enforcement Supervisor, Alcohol and Marijuana Control Office (AMCO), Department of Commerce, Community & Economic Development, stated that clarification on "adequate supervision" would be helpful.

[4:24:12 PM](#)

CO-CHAIR FIELDS [objected] to Amendment 2 to HB 68. He voiced concern over ambiguity around spaces where supervision would be required. He stated he would not want for regulations to require an "older adult" supervise employees between the ages of 18-21 years old, as Amendment 2 to HB 68 is written.

[4:24:59 PM](#)

REPRESENTATIVE COULOMBE stated her intention to protect the licensee from legal trouble. She stated support for Amendment 2.

[4:25:29 PM](#)

REPRESENTATIVE CARRICK found the answer from AMCO to be inadequate. She agreed with Co-Chair Fields that Amendment 2 to HB 68 could restrict the workforce that the bill is meant include.

[4:26:11 PM](#)

MR. BANKOWSKI clarified that historically someone who is allowed to operate in this supervisory position would be someone over 21 years old. He specified that he is not trying to take a

position one way or another on what the amendment should look like or how it should be written.

[4:26:44 PM](#)

REPRESENTATIVE CARRICK stated that a supervisor present on the premises of the restaurant where an 18- to 21-year-old is serving would likely count as adequate supervision.

MR. BANKOWSKI answered yes.

[4:27:04 PM](#)

CO-CHAIR FIELDS stated that he agreed with Representative Coulombe in protecting the licensee from legal trouble, regarding Amendment 2.

[4:27:13 PM](#)

REPRESENTATIVE SADDLER stated that the premise can be far distant from one end to the other end. He offered his belief that the way HB 68 is currently written would invite unwanted legal deliberation over the meaning of "adequate supervision". He offered his belief that it's important that HB 68 clarifies the degree of supervision. He welcomed [conceptual] amendments to Amendment 2.

[4:28:19 PM](#)

A roll call vote was taken. Representatives Coulombe, Nelson, and Saddler voted in favor of the motion to adopt Amendment 2 to HB 68. Representatives Carrick, Burke, Hall, and Fields voted against it. Therefore, Amendment 2 to HB 68 failed to be adopted by a vote of 3-4.

[4:29:03 PM](#)

REPRESENTATIVE CARRICK stated that she appreciated both amendments in intent. She noted that even with the passage of HB 68, Alaska would still be rather restrictive compared to other states.

[4:30:05 PM](#)

CO-CHAIR FIELDS stated his hope that AMCO would work with stakeholders in providing a clear definition of "adequate supervision".

[4:30:16 PM](#)

REPRESENTATIVE SADDLER stated that, although he did not support the provisions for cancer warnings, he supported the underlying element of HB 68, that is, allowing younger people into the workforce. He offered his belief that the bill is unbalanced, but that he might support it.

[4:30:38 PM](#)

CO-CHAIR HALL moved to report HB 68 out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, HB 68 was reported out of the House Labor and Commerce Standing Committee.

CO-CHAIR FIELDS handed the gavel to Co-Chair Hall.

[4:31:06 PM](#)

The committee took an at-ease from 4:31 p.m. to 4:34 p.m.

HB 49-TOBACCO/NICOTINE/E-CIG AGE; E-CIG TAX

[4:35:55 PM](#)

CO-CHAIR HALL announced that the final order of business would be HOUSE BILL NO. 49, "An Act relating to tobacco, tobacco products, electronic smoking products, nicotine, and products containing nicotine; raising the minimum age to purchase, exchange, or possess tobacco, a product containing nicotine, or an electronic smoking product; relating to the tobacco use education and cessation fund; relating to the taxation of electronic smoking products and vapor products; and providing for an effective date."

[4:36:08 PM](#)

REPRESENTATIVE SARA HANNAN, Alaska State Legislature, as prime sponsor, presented HB 49. She noted that there are two key policies in HB 49: raising the minimum age to purchase from 19 to 21 to align state law with federal, and to establish a sales tax for electronic smoking products (ESPs), otherwise known as

"vapes," or "vape products." In December of 2019, the Federal Government changed the age to buy, possess, or consume tobacco products from 19 to 21. Representative Hannan noted that Alaska is not in compliance with the federal government. Under tobacco products, vapes are not taxed by the State of Alaska. Under Alaska statutes on tobacco, taxation is delineated by type. She said ESPs could fall under the category "other tobacco products"; however, the tobacco industry has successfully argued against taxation due to lack of identification of ESPs, or vapes, in statute. She stated that Alaska has been very successful in decreasing the rate of youth combustible tobacco smoking. This approach has been accomplished with a three-pronged approach: a tobacco tax on traditional cigarettes/tobacco products, the creation of a statewide tobacco control and educational program, and the creation of youth cessation programs. Representative Hannan offered her belief that vape products are targeted at youth populations. She commented that there has been a "huge increase" in young people consuming nicotine via introduction through ESPs. She concluded that vapes are not regulated in the same way that cigarettes are; therefore, there is a lot of variability in the products.

[4:41:35 PM](#)

HUNTER MEACHUM, Staff, Representative Sara Hannan, Alaska State Legislature, as staff to Representative Hannan, prime sponsor, gave an introductory presentation on HB 49, and read the sectional analysis. She used a PowerPoint [hard copy included in the committee file], titled "House Bill 49: Restricting Youth Access To Tobacco and E-Cigarettes," with accompanying images. She stated that, according to the Department of Health's (DOH's) Tobacco Prevention and Control program, tobacco use is the leading preventable cause of death and disease in Alaska. Over 100,000 adults in Alaska are at risk for poor health outcomes due to tobacco products. Annually, an estimated 600 deaths in Alaska are attributed to smoking alone. She stated that nicotine addiction almost always begins in adolescence; therefore, it is the intent of HB 49 to protect at-risk youth in Alaska. She noted that e-cigarettes/ESPs/vapes emerged in the mid-2000s. Since 1994, there has been a decline in traditional tobacco use from 37 percent to 8 percent among high school students. The decline of traditional tobacco use has occurred in concurrence with the explosion of e-cigarette use. From 2015-2021, there was an increase in vaping from 18 percent to 26 percent in high school students.

MS. MEACHUM explained that most e-cigarettes consist of four different components: a cartridge/reservoir, a heating element, a power source, and a mouthpiece. She noted that ESPs can have a variety of names, including e-cigarettes, e-cigars, e-pipes, e-hookahs, and vape pens. She stated a battery is typically used to heat up liquid containing nicotine and other flavor additives, including butterscotch, bubblegum, cotton candy, apple cinnamon, which is then inhaled into the lungs. She stated that vapes can be designed to look like discreet, everyday items, such as figurine toys, sharpies, pens, highlighters, thumb drives, and watches. She noted that advertisements marketing vapes saturate social media, and companies showcase the "cool factor" of vapes by employing influencers to increase the sex appeal and installing popular children's games, like Pacman, in ESPs. Ms. Meachum stated that the e-cigarette market is unregulated, and HB 49 would ban marketing to children. Many brands have campaigns on social media to associate vaping with having fun, relaxation, freedom, and defiance. Additionally, vape competitions on platforms such as YouTube are popular. She noted that children are vaping during school bus rides, in bathrooms, locker rooms, hallways, and classrooms in schools. There are tutorials on online platforms, such as YouTube, instructing students how to avoid detection devices that have been purchased to prevent students from vaping in school. She stated that e-cigarettes are not safe and can have lasting health consequences for the developing brain and cardiovascular system. She concluded that e-cigarettes are not a [healthier] replacement for cigarettes.

[4:48:34 PM](#)

The committee took a brief at-ease at 4:48 p.m.

[4:49:12 PM](#)

MS. MEACHUM continued to the sectional analysis of HB 49 [included in committee file], which read as follows [original punctuation provided]:

Sec. 1: AS 11.76.100(a), relating to tobacco sales and exchanges, makes it a violation to sell to persons under age 21; however, the person making the sale at a licensed location may be age 19 or older.

Sec. 2: AS 11.76.100(b), relating to supervision of tobacco product vending machines (TVM), amends the exemption for TVMs situated in a private break room,

provided there is signage posted indicating the minimum age to possess tobacco products is age 21 (from 19).

Sec. 3: AS 11.76.105, (a) relating to possession of tobacco, electronic smoking products (ESPs), or products containing nicotine, raises the minimum age to possess from 19 to 21 years of age; removes the exemption for incarcerated minors;

(b) makes allowable exemptions as an affirmative defense for possession under certain conditions; to include if the product is FDA-approved, is prescribed by a health care professional, and given by a parent or legal guardian.

(c) makes possession of tobacco, an electronic smoking product, or a product containing nicotine by a person under 21 years of age a violation punishable by a fine not to exceed \$300, or in lieu of paying a fine the court may direct a defendant to take an educational class on the harms of smoking.

Sec. 4: AS 11.76.105 (d) directs the court system to establish a bail schedule for the violation referenced in Section 3 above. Bail amounts may be forfeited without a court appearance for a violation by a person 19 or 20 years of age.

(e) A mandatory court appearance is maintained for minors under age 18.

(f) provides an exemption for persons aged 19-20, when selling tobacco, nicotine products, or ESps, to be exempted from the prohibition of underage possession of those products.

Sec. 5: AS 11.76.106(b), relating to the 'behind the counter' control provisions of selling tobacco products, allowing exemptions for wholesalers, tobacco shops or online ESP sales, raising the minimum age to sell from 19 to 21 years of age.

Sec. 6: AS 11.76.109(a), relating to other products containing nicotine (OTP), including chew, gum, patches, or E-cigarette products, makes it a violation to sell, give, or exchange to persons under age 21; however, the person making the sale at a licensed location may be age 19 or older.

Sec. 7: AS 11.76.109(b), relating to exemptions to selling, giving, or exchanging products containing nicotine to persons under the age of 21, if the product is FDA-approved, is prescribed by a doctor, or given by a parent or legal guardian.

Sec. 8: AS 11.76.109(d), relating to the requirement for vendors to supervise the operation of ESP or nicotine product vending machines (EVM), amends the exemption for EVMs situated in a private break room, provided there is signage posted indicating the minimum age to possess tobacco products is age 21.

Sec. 9: AS 11.76.109(g), relating to the penalty for selling or gifting ESP or nicotine products to a person under the age of 21 as a violation punishable by a fine of not less than \$300.

Sec. 10: AS 11.81.900(b) adds a definition of nicotine, to include a chemical or chemical compound intended to simulate the effect of the plant-based chemical derived from the tobacco plant. This is intended to include the emergence of synthetic nicotine in the market as a means of evading tax and sales penalties.

Sec. 11: AS 29.35.085(c) conforming change relating to community work provisions as punishment for a minor's conviction of a violation of a curfew ordinance.

Sec. 12: AS 37.05.580(a) amends the Tobacco Use Education and Cessation Fund to be moved from the general fund into the state treasury.

Sec. 13: AS 43.50.070(a), relating to licensing requirements for buying or selling tobacco or other products containing nicotine, adds legal authority for the Dept. of Revenue to suspend, revoke a license for ESP sales.

Sec. 14: AS 43.50.105(b), relating to wholesale cigarette sales and licensees, to restrict licensees from selling or transporting tobacco products to persons that are at least 21 (from 19) years of age, and to implement an age verification process when conducting transactions.

Sec. 15: AS 43.50.105(c), relating to common carrier transportation of cigarettes, to verify the age (21) of the recipient before delivery.

Sec. 16: AS 43.50.150(c), relating to the state being in partnership with municipalities in taxing tobacco products, is amended to include those municipalities taxing ESPs, to share data and jointly audit licensees selling those products.

Sec. 17: AS 43.50.190(d), relating to the Tobacco Use Education and Cessation Fund, amends the structure of the fund reflecting three revenue sources going into the fund: (1) 20% 1/26/25; HB 49, version A

of the annual payment under the Tobacco Master Settlement Agreement; (2) 8.9% of the general portion of the state cigarette tax; and (3) the proceeds from the new tax on electronic smoking products (ESPs) established in section 17 of the bill.

Sec. 18: AS 43.50.325 adds a restriction on the transportation of OTP into the state, requiring licensing to do so, and makes clear provisions for age verification for delivery of and labelling for such products. This is a conforming amendment, replicating AS 43.50.105, which applies only to cigarettes.

Sec. 19: AS 43.50 is amended by adding Article 8, relating to ESP Sales, Shipping, Licensing, and Taxation

AS 43.50.850(a) levies a 25 percent tax on the retail sales price of closed-system ESPs and vapor products in the state; and

(b) sets a threshold of 200 transactions annually, for online vendors of ESP, to be licensed with the state and begin remitting tax returns and payments.

AS 43.50.855 provides for exemptions from the tax to include closed ESPs or vapor sold on military bases, approved by the FDA as a tobacco cessation product, or sold as a marijuana or hemp product that do not contain nicotine.

AS 43.50.860 requires retailers to be licensed in the state to sell ESPs, details an annual application renewal process and fee, license transferability, suspension and revocation, product packaging and labelling requirements, and restrictions on marketing flavored products to youths.

AS 43.50.865 requires ESP licensees to file a monthly tax return to the Dept. of Revenue (DOR), including information on what was sold, sales prices, and tax imposed.

AS 43.50.870, requires record keeping for licensees selling ESPs, including information on purchase prices, product sources, and volume of purchase. This information is to be kept on file for 3 years and must be available for DOR upon request.

AS 43.50.875 directs taxes collected on ESPs to be deposited into the Tobacco Use Education and Cessation Fund, which may be appropriated by the legislature to provide for tobacco use prevention or for efforts to

prevent or detect the use of tobacco or ESPs in schools.

AS 43.50.880 is a conforming amendment, adding restrictions to shipping or transporting ESPs into the state without a license, consistent with same statutes relating to shipping or transporting tobacco or cigarettes.

AS 43.50.885 places restrictions on ESP vapor products sold to consumers in the state to include: (1) a nicotine concentration of no more than 50mg/ml; (2) protection from breakage and leakage; (3) not containing other additives or stimulants such as caffeine, taurine, or vitamin E acetate; (4) child- and tamper-proof packaging; and (5) clear labeling to inform customers of all ingredients and nicotine content.

AS 43.50.900 provides a definition for "sales price" for tax purposes.

AS 43.50.990 provides definitions for "closed electronic smoking product," "electronic smoking product," "vapor product," "nicotine," and "retailer." Hardware components such as batteries, battery chargers, heating elements and mouthpieces are excluded from the definition of an ESP for tax purposes, when sold separately or not part of a closed ESP.

Sec. 20: AS 43.70.075(f), relating to business license endorsements for selling tobacco products, amends the existing requirement for signage to be posted on vendor premises, stating it being illegal to sell tobacco or ESPs to minors under the age of 21 (from 19).

Sec. 21: AS 43.70.075(m), relating to the process for suspending business licensees holding a tobacco endorsement, amends existing statute referring to tobacco or ESPs being sold to minors under the age of 21 (from 19).

Sec. 22: AS 43.70.075(t), relating to penalties for licensees violating the T21 provisions, amends existing statute for lessening the penalties if a license holder has a written tobacco or ESPs sales policy to include employees not selling tobacco or ESPs to minors under the age of 21 (from 19).

Sec. 23: AS 43.70.075(w), relating to the appeal and administrative process of license suspension, conforms

existing law regarding tobacco and ESP sales, to apply to sales to minors under the age of 21 (from 19).

Sec. 24: AS 45.50.471(b), relating to consumer protection and unlawful business practices, adds a new subsection making it unlawful to market or advertise ESPs, or components of ESPs to persons under the age of 21 in the state.

Sec. 25: AS 45.50.471(b), relating to the marketing an ESP in a manner likely to promote its use by a person under 21.

Sec. 26: AS 47.12.030(b), relating to the juvenile justice system, and minors accused of possessing tobacco, conforms existing law to apply to possession by minors under the age of 21 (from 19).

Sec. 27: AS 11.76.100(e) is repealed. The statute is an exemption for sales, and possession of cigarettes, OTP and ESPs for incarcerated minors.

Sec. 28: Relates to applicability, conforming changes in the bill.

Sec. 29: Sections 13, 16, 19, and 25 are effective January 1, 2027.

Sec. 30: All other sections are effective January 1, 2026.

[5:00:46 PM](#)

CO-CHAIR HALL invited questions from committee members for the bill sponsor or invited testifiers.

[5:01:55 PM](#)

REPRESENTATIVE NELSON stated there is a provision in HB 49 on excluding tax on military installations. He asked whether there would also be an age exemption for military individuals.

[5:02:15 PM](#)

REPRESENTATIVE HANNAN answered that the military is where the Tobacco 21 (T21) provisions began. Currently, on military bases, if a commissary sells tobacco, a consumer must be 21 years old to purchase said product; however, a consumer could travel outside of the military base and purchase tobacco at 19 years old.

[5:02:38 PM](#)

CO-CHAIR HALL asked how HB 49 might help tobacco control and enforcement.

[5:03:28 PM](#)

JOE DARNELL, Chief Investigator, Division of Behavioral Health, Department of Health, as an invited testifier, answered questions during the hearing on HB 49. He stated there are three age-restricted products in Alaska: alcohol, marijuana, and tobacco. He stated that bringing all age restricted products to 21 would make it easier on retailers. He stated that identification (ID) checks would be easier, as all individuals over the age of 21 in Alaska are issued horizontal ID, and all individuals under the age of 21 in Alaska are issued vertical ID.

[5:04:57 PM](#)

REPRESENTATIVE CARRICK asked what the recently updated Alaska Youth Risk Behavior Survey reported about electronic vapor use among youth today.

[5:05:24 PM](#)

The committee took a brief at-ease at 5:05 p.m.

[5:06:00 PM](#)

KATIE STEFFENS, Deputy Program Manager, Tobacco Prevention and Control Program, Department of Health, as an invited testifier, answered questions during the hearing on HB 49. She responded that the Tobacco Prevention and Control Program recently collected data in 2023 for the Alaska Youth Risk Behavior Survey. She reported that 17 percent of Alaska high school students used e-cigarettes in 2023. Additionally, she reported that this is a decrease from 2019, but that it is not considered significant when considering long-term data. She emphasized that one in six children in Alaska uses e-cigarettes and 23 percent of high school students in Alaska use some form of tobacco product.

[5:07:13 PM](#)

REPRESENTATIVE CARRICK asked where the tax revenue generated by HB 49 would go.

[5:07:36 PM](#)

REPRESENTATIVE HANNAN responded that the entirety of the tax revenue generated under HB 49 would be put directly into the tobacco cessation fund. She explained that the tobacco cessation fund suffered the "reverse-sweep" problem. She noted that the fund was swept and is currently substantially drained. She stated the operating funds that typically roll over every year are nonexistent. She stated that the goal of HB 49 would be to add revenue from vape taxes into the fund in such a way that the funds are not subject to the reverse-sweep vote restrictions.

[5:08:28 PM](#)

CO-CHAIR HALL announced that HB 49 was held over.

[5:08:47 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at 5:08 p.m.