

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

February 17, 2025

3:20 p.m.

**MEMBERS PRESENT**

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

**MEMBERS ABSENT**

Representative Dan Saddler

**OTHER LEGISLATORS PRESENT**

Representative Frank Tomaszewski

**COMMITTEE CALENDAR**

SENATE BILL NO. 15

"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 HCS SB 15(L&C) 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."

- MOVED CSHB 49(L&C) OUT OF COMMITTEE

HOUSE BILL NO. 74

"An Act establishing the crime of airbag fraud."

- MOVED HB 74 OUT OF COMMITTEE

**PREVIOUS COMMITTEE ACTION**

BILL: SB 15

SHORT TITLE: ALCOHOL: SALE, WARNING SIGNS

SPONSOR(s): SENATOR(s) MERRICK

01/10/25 (S) PREFILE RELEASED 1/10/25  
01/22/25 (S) READ THE FIRST TIME - REFERRALS  
01/22/25 (S) L&C  
01/24/25 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)  
01/24/25 (S) Heard & Held  
01/24/25 (S) MINUTE(L&C)  
01/27/25 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)  
01/27/25 (S) Moved SB 15 Out of Committee  
01/27/25 (S) MINUTE(L&C)  
01/28/25 (S) L&C RPT 4DP  
01/28/25 (S) DP: BJORKMAN, MERRICK, GRAY-JACKSON,  
YUNDT  
02/06/25 (H) HSS AT 3:15 PM DAVIS 106  
02/06/25 (H) <Bill Hearing Canceled>  
02/10/25 (S) TRANSMITTED TO (H)  
02/10/25 (S) VERSION: SB 15  
02/12/25 (H) READ THE FIRST TIME - REFERRALS  
02/12/25 (H) L&C  
02/17/25 (H) L&C AT 3:15 PM BARNES 124

BILL: HB 49

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

SPONSOR(s): REPRESENTATIVE(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  
01/29/25 (H) Heard & Held  
01/29/25 (H) MINUTE(L&C)  
02/05/25 (H) L&C AT 3:15 PM BARNES 124  
02/05/25 (H) <Bill Hearing Canceled>  
02/17/25 (H) L&C AT 3:15 PM BARNES 124

BILL: HB 74

SHORT TITLE: CRIME COUNTERFEIT/NONFUNCTIONING AIRBAG

SPONSOR(s): REPRESENTATIVE(s) TOMASZEWSKI

01/29/25 (H) READ THE FIRST TIME - REFERRALS  
01/29/25 (H) L&C, JUD  
02/07/25 (H) L&C AT 9:00 AM BARNES 124  
02/07/25 (H) -- MEETING CANCELED --

02/12/25 (H) L&C AT 3:15 PM BARNES 124  
02/12/25 (H) Heard & Held  
02/12/25 (H) MINUTE (L&C)  
02/17/25 (H) L&C AT 3:15 PM BARNES 124

**WITNESS REGISTER**

DANA WALUKIEWICZ, Chair  
Alcohol Beverage Control Board  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of SB 15 with some recommendations for change.

LEENA EDAIS, Co-President  
Youth Encouraging Alaskans' Health  
Rural Alaska Community Action Program, Inc.  
Anchorage, Alaska

**POSITION STATEMENT:** Gave invited testimony in support of HB 49.

DOROTHY ARMSTRONG, Co-President  
Youth Encouraging Alaskans' Health  
Rural Alaska Community Action Program, Inc.  
Anchorage, Alaska

**POSITION STATEMENT:** Gave invited testimony in support of HB 49.

TRACY MULVENON, Assistant Superintendent  
North Slope Borough School District  
Utqiagvik, Alaska

**POSITION STATEMENT:** Gave invited testimony in support of HB 49.

MARK SUNDQUIST, representing self  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in opposition to HB 49.

TERESA WROBEL, Policy & Advocacy Program Specialist  
Alaska Children's Trust  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of HB 49.

CARRIE NYSSSEN, Vice President  
Advocacy and Air Quality  
American Lung Association  
Vancouver, Washington

**POSITION STATEMENT:** Testified in support of HB 49.

JANICE PARK, representing self  
Juneau, Alaska

**POSITION STATEMENT:** Testified during the hearing on HB 49.

ALEX MCDONALD, representing self  
Fairbanks, Alaska

**POSITION STATEMENT:** Testified during the hearing on HB 49.

VALERIA DELGADO-LOPEZ, representing self  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of HB 49.

JESSI WALTON, representing self  
Fairbanks, Alaska

**POSITION STATEMENT:** Testified in opposition to HB 49.

AARON OSTERBACK, representing self  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of HB 49.

SHAUN D'SYLVA, Owner  
Fatboy Vapors  
Seattle, Washington

**POSITION STATEMENT:** Testified in opposition to HB 49.

REPRESENTATIVE SARA HANNAN  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** As prime sponsor answered questions during the hearing on HB 49.

**ACTION NARRATIVE**

[3:20:43 PM](#)

**CO-CHAIR ZACK FIELDS** called the House Labor and Commerce Standing Committee meeting to order at 3:20 p.m. Representatives Nelson, Coulombe, Burke, Carrick, Hall, and Fields were present at the call to order.

**SB 15-ALCOHOL: SALE, WARNING SIGNS**

[3:21:05 PM](#)

CO-CHAIR FIELDS announced that the first order of business would be SENATE BILL NO. 15, "An Act relating to the sale of alcohol; relating to the posting of warning signs for alcoholic beverages; and providing for an effective date."

[3:21:32 PM](#)

CO-CHAIR FIELDS opened public testimony on SB 15.

[3:21:47 PM](#)

DANA WALUKIEWICZ, Chair, Alcohol Beverage Control Board (ABC), began by stating that SB 15 is similar to a bill that passed the prior year just minutes after the midnight deadline, thus killing that legislation. He stated that ABC voted unanimously in favor of the previous legislation last year and again voted unanimously in favor of SB 15.

MR. WALUKIEWICZ made some requests for changes to SB 15. He asked that the effective date of the proposed legislation be changed to immediate with the exception of the provisions for the signage, which he requested be changed to take effect three months after passage to ensure adequate time for the printing and distribution of the signage to the licensees. He stated that, without this exception, adoption of the proposed legislation would result in automatic noncompliance by the licensees. He concluded by offering his belief that SB 15 is a good bill.

[3:24:02 PM](#)

REPRESENTATIVE CARRICK requested that Mr. Walukiewicz repeat which provision would impact his work.

MR. WALUKIEWICZ stated that there is language in the proposed legislation requiring updates to warning signs posted for alcoholic beverages. He explained that the Alcohol & Marijuana Control Office (AMCO) is responsible for the printing and distribution of the signage. He stated that there are many licensees in remote areas, and it would take a while to get signs printed and distributed to all licensees. He commented AMCO would like to avoid a situation where, upon passage of the proposed legislation, a number of licensees would automatically become noncompliant. However, he stated that ABC and AMCO is very supportive of the proposed legislation becoming effective immediately for the purpose of allowing 18- to 20-year-olds to serve alcoholic beverages. He stated the industry is experiencing a shortage of qualified labor and ABC and AMCO would like to allow returning college students to work for the hospitality industry.

[3:26:10 PM](#)

CO-CHAIR FIELDS, after ascertaining that there was no one else who wished to testify, closed public testimony on SB 15.

CO-CHAIR FIELDS moved to adopt Amendment 1 to SB 15, labeled 34-LS01063\A.1, C. Radford, 2/17/25, which read as follows:

Page 2, following line 17:

Insert new bill sections to read:

"\* **Sec. 3.** AS 04.09.220(d) is amended to read:

(d) Alcoholic beverages sold under a club license may be purchased only by

(1) members of the club and their families;

(2) widows or widowers of deceased members of the club who have been accorded club privileges; [AND]

(3) military personnel on active duty who are extended the privilege by patriotic organizations; **and**

**(4) members of a patriotic organization licensed under this section that has a reciprocity agreement with another patriotic organization licensed under this section.**

\* **Sec. 4.** AS 04.09.220 is amended by adding a new subsection to read:

(m) A patriotic organization licensed under this section may enter into a reciprocity agreement with another patriotic organization licensed under this section to allow each organization to sell alcoholic beverages to members of both organizations. The decision to enter into a reciprocity agreement shall be made by a majority of members present at a general meeting of each patriotic organization."

Renumber the following bill sections accordingly.

[3:26:28 PM](#)

REPRESENTATIVE CARRICK objected for the purpose of discussion.

[3:26:30 PM](#)

CO-CHAIR FIELDS stated that there is a constituent in Representative Stutes' district who is associated with the American Legion. The constituent brought to members' attention the concept of reciprocity for patriotic organizations, primarily the Veterans of Foreign Wars (VFW) and the American Legion. He explained that, currently, it is violation of law for a VFW Hall to serve alcohol to a member of the American Legion and vice versa. He explained that Amendment 1 would allow members of the two aforementioned patriotic organizations to attend each other's facilities and have a drink. He stated that Amendment 1 would not impact other membership-based groups, like the Lions [Club] or the Moose Lodge.

REPRESENTATIVE CARRICK asked for clarification that Amendment 1 is not related to minors serving alcohol.

CO-CHAIR FIELDS responded yes.

[3:28:14 PM](#)

REPRESENTATIVE CARRICK removed her objection to Amendment 1 to SB 15. There being no further objection, Amendment 1 was adopted.

[3:28:28 PM](#)

CO-CHAIR FIELDS stated, as illustrated by the public testimony, that there is a desire among employers to adjust the effective date of the proposed legislation.

CO-CHAIR FIELDS moved to adopt Amendment 2 to SB 15, as amended, labeled 34-LS0163\A.3, C. Radford, 2/17/25, which read as follows:

Page 6, following line 23:

Insert a new bill section to read:

**"\* Sec. 14.** Section 12 of this Act takes effect October 1, 2025."

Renumber the following bill section accordingly.

Page 6, line 24:

Delete "This"

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

[3:28:39 PM](#)

CO-CHAIR HALL objected for the purpose of discussion.

[3:28:47 PM](#)

CO-CHAIR FIELDS began comment pertaining to [an upcoming conceptual amendment to] Amendment 2.

[3:29:24 PM](#)

The committee took a brief at-ease at 3:29 p.m.

[3:29:45 PM](#)

CO-CHAIR FIELDS moved to adopt Conceptual Amendment 1 to Amendment 2 to SB 15, as amended. [Conceptual Amendment 1 to Amendment 2 is included in the committee packet as Amendment 2, with handwritten changes in blue writing, and it is included in the committee file].

[3:30:10 PM](#)

CO-CHAIR HALL objected for the purpose of discussion.

[3:30:13 PM](#)

CO-CHAIR FIELDS explained the handwritten changes, as follows:

And you will see in writing this is the conceptual amendment language that we discussed with [Legislative] Legal [Services] to make sure those are the correct dates for May implementation for purposes of hiring and for August implementation for purposes of signage, which addresses both the urgency of hiring and, as Mr. Walukiewicz mentioned, the time to get the updated signs.

[3:30:48 PM](#)

CO-CHAIR HALL removed her objection to Conceptual Amendment 1 to Amendment 2. [The committee treated Conceptual Amendment 1 to Amendment 2 as adopted.]

CO-CHAIR FIELDS brought the committee's attention back to Amendment 2, [as amended]. He announced that there being no

objection, Amendment 2, [as amended], was adopted. [The objection by Co-Chair Hall was treated as removed.]

[3:31:24 PM](#)

CO-CHAIR HALL moved to report SB 15, as amended, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, HCS SB 15(L&C) was reported out of the House Labor and Commerce Standing Committee.

[3:31:52 PM](#)

The committee took an at-ease from 3:31 p.m. to 3:34 p.m.

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

[3:34:31 PM](#)

CO-CHAIR FIELDS announced that the next 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."

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

[3:35:25 PM](#)

LEENA EDAIS, Co-President, Youth Encouraging Alaskans' Health (YEAH), Rural Alaska Community Action Program, Inc. (RurAL CAP), introduced herself for the public record.

[3:35:29 PM](#)

DOROTHY ARMSTRONG, Co-President, Youth Encouraging Alaskans' Health, Rural Alaska Community Action Program, Inc. (RurAL CAP), introduced herself for the public record.

[3:36:46 PM](#)

MS. EDAIS stated that Ms. Armstrong and she are the co-presidents of YEAH, a tobacco prevention and education program.

She stated they have been working with the program for about five years.

MS. ARMSTRONG stated that YEAH discourages nicotine and tobacco use among youth through educational outreach.

MS. EDAIS explained that YEAH travels to schools to present or host summits, in which students from other schools are invited.

[3:37:09 PM](#)

MS. ARMSTRONG explained that YEAH provides education and resources for those struggling with tobacco [addiction]. She stated that the organization focuses on bringing youth from Alaska villages to their educational summits.

[3:37:43 PM](#)

MS. EDAIS stated that YEAH also creates educational videos to send to other schools that may otherwise not be able to attend the summits. She continued that she is a recent Dimond High School graduate, and she and Ms. Armstrong would finish their testimony by sharing anecdotal experiences about the prevalence of e-cigarette usage during their time in high school.

[3:38:08 PM](#)

MS. ARMSTRONG stated that she graduated from Bettye Davis East High School, a Title I school, in May [2024]. She commented that most of the students are living at or below the poverty line. She stated that she often noticed students possessing or using e-cigarettes in classrooms, despite not having money for food, for example. She remarked that e-cigarettes are resold at higher prices to youth, who otherwise could not legally purchase one. She further noted that the use of e-cigarettes is normalized among teenagers, and stated it is difficult to break a "bad habit" that is enabled by a community.

MS. ARMSTRONG stated that many students do not have access to [educational] resources or do not know that resources exist for them.

[3:40:04 PM](#)

MS. EDAIS shared that at Dimond High School, every bathroom door in her high school had to be opened for about half of the school year, due to the high numbers of students vaping in bathrooms.

She shared YEAH's belief that education is the biggest tool for prevention.

[3:40:48 PM](#)

MS. ARMSTRONG stated that Ms. Edais and herself were given the educational support they needed to avoid tobacco and nicotine.

MS. EDAIS stated that the products are very accessible to underage consumers. She stated that dealers are easily found via social media applications ("apps") and minors will spend any amount of money on the products due to their addiction to them.

MS. ARMSTRONG stated that many kids want to stop but lack the resources to do so. Additionally, she stated the addiction becomes cyclical. She said, "If a teacher stopped every time there was a[n] e-cigarette in classroom, no work would get done and students wouldn't learn anything."

MS. EDAIS emphasized the need to make products less accessible by enforcing policies to raise the minimum age of purchase or enact a tax on e-cigarettes.

MS. ARMSTRONG argued that youth are the most susceptible to price increases and raising the tax on a product would increase the overall price, thus reducing the number of purchases from underage consumers.

MS. EDAIS thanked committee members.

[3:44:55 PM](#)

MS. EDAIS, in response to a question from Representative Nelson regarding accessibility, offered commentary that a high schooler is less likely to know a 21-year-old than a 19-year-old.

MS. ARMSTRONG stated that the dealers would still have to pay the proposed tax to sell products to students. Additionally, she stated that the tax goes towards [educational] programs for nicotine and tobacco prevention. She argued that a more educated youth would not seek out nicotine and tobacco and further asserted that dealers would raise their prices, making the products less accessible to minors.

[3:47:18 PM](#)

REPRESENTATIVE NELSON opined that the dealer would not increase their price all that much, meaning it is the dealer paying the tax, not the students.

[3:47:53 PM](#)

MS. EDAIS acknowledged that "kids will [do] what it takes to get ... products" but ventured that the proposed legislation, while not the complete solution, is a part of the solution. She reasserted that HB 49 would make vape products less accessible to youth.

MS. ARMSTRONG highlighted the importance of advocating for incremental change in the face of epidemics.

[3:49:16 PM](#)

REPRESENTATIVE CARRICK thanked the invited testifiers and commented on the power of testimony from youth. She commented that dealers are going to pass along price increases to their customers and asked about price sensitivity among youth.

[3:50:07 PM](#)

MS. EDAIS noted that e-cigarette usage is frequently social. She stated if the prices were high, it would deter children from purchasing e-cigarettes.

MS. ARMSTRONG explained that their focus is to halt the initial purchases of e-cigarettes. She asserted that price increases would stop more youth from starting the habit because of their budgetary constraints.

[3:51:37 PM](#)

REPRESENTATIVE COULOMBE agreed that minors should not be smoking but shared concern that the proposed legislation would push consumers towards a black market for e-cigarettes. She shared her uncertainty that increasing prices would be an effective deterrent. She further asked what pieces are missing in the education of young people regarding e-cigarettes.

[3:52:36 PM](#)

MS. ARMSTRONG responded that many of their peers hear that using e-cigarettes is better than smoking traditional cigarettes, because it was the "narrative that was pushed for so long." She

stated there are minimal regulatory processes that govern vapes. She stated that her peers are more receptive to educational approaches, rather than "just getting mad at them."

MS. EDAIS addressed a common misconception that consumers are breathing water vapor through e-cigarettes, which, she asserted is not true.

MS. ARMSTRONG stated that the proposed legislation's target demographic is students or youth who are not in active addiction but may be considering illegally purchasing an e-cigarette. She stated there is already a [black] market for vapes. She shared anecdotally that dealers are already illegally purchasing vapes that they then sell to students. She reported that illegal vapes have even been advertised to contain illicit drugs. She stated the price increase in the proposed legislation intends to prevent students who have yet to develop an addiction from purchasing illegal e-cigarettes.

MS. EDAIS added that taxing products has been proven to lower outcomes of users. For example, she noted, taxes on traditional cigarettes lowered consumption significantly.

[3:58:02 PM](#)

MS. ARMSTRONG, in response to Representative Coulombe's question on her stake in the topic, shared a personal anecdote about a friend who, although diagnosed with bone cancer at a young age, remained addicted to e-cigarettes throughout their treatment. She concluded by stressing the addictive nature of vapes.

[4:00:38 PM](#)

TRACY MULVENON, Assistant Superintendent, North Slope Borough School District (NSBSD), gave invited testimony in support of HB 49. She stated that, after the COVID-19 pandemic, e-cigarettes flooded the scene and student vaping rates increased significantly. She asserted that the trend both undermines student health and learning outcomes. She stated that it is the responsibility of school districts to work with communities to implement proactive measures to combat the issue while fostering a preventative approach that is educational, and health centered.

MS. MULVENON spoke to the efficacy of vape detectors used in schools to aid in the confiscation of e-cigarettes. She stated that she confiscated 62 vapes from middle-schoolers in one year

after COVID-19. She stated that NSBSD wrote a grant to obtain funding for vape detectors with "full support" from parents. She explained that the vape detectors had silent alarms and were installed in all bathrooms and monitored by an administrator. Additionally, NSBSD implemented a "one student at a time" bathroom policy. She stated that the vape detectors have streamlined the investigative process, as typically the school would receive reports from students about their peers' vape usage.

MS. MULVENON spoke to the importance of education in reducing student vaping. She stated that NSBSD implemented a progressive suspension process, explaining that education was woven into the consequences of vaping. For example, she shared that, when a student was caught vaping, they were given educational resources with their parent and met with a school counselor or (indisc.) administrator. She remarked that oftentimes students caught vaping reported that they were struggling and the vape was an outlet for stress. She shared that, anecdotally, among middle school students that she had addressed, four times out of five they were taking [vapes] from their parents.

MS. MULVENON asserted that punitive measures alone do not always result in behavioral change and emphasized the importance of education and working with one's community on providing students with clear, factual information on the long-term damage of e-cigarette consumption. She concluded by reiterating the importance of education as a means of empowering students to make informed decisions about their health. She welcomed questions from committee members.

[4:08:00 PM](#)

REPRESENTATIVE NELSON asked how NSBSD decided to purchase vape detectors.

MS. MULVENON responded that NSBSD did a lot of research prior to the implementation of the vape detectors. She explained that the vapes can be discreet, and administrators suspected the majority of students were using e-cigarettes in the bathrooms. She reported that, across NSBSD, administrators work with community members to create community school expectation agreements around addressing underage vape usage. She stated that parents of students are involved in the process. Additionally, she stated that a new health curriculum that included vape products was adopted by the district, noting that the problem was addressed in a myriad of ways.

[4:10:39 PM](#)

REPRESENTATIVE NELSON asked about the efficacy of the vape detectors.

MS. MULVENON responded that students can be very creative in dodging discipline for using e-cigarettes. She stated that NSBSD had to educate teachers on how to spot e-cigarettes, as they can be discreetly disguised as everyday objects. She shared that Barrow High School (BHS) implemented vape detectors in bathrooms in the past year and the principal of BHS ventured that the vape detectors "have really made a difference." She emphasized the importance of providing educational and emotional support for students in combatting the issue.

[4:12:24 PM](#)

CO-CHAIR FIELDS noted that the proposed tax could help pay for vape detectors in schools.

[4:12:36 PM](#)

CO-CHAIR FIELDS opened public testimony on HB 49.

[4:12:54 PM](#)

MARK SUNDQUIST, representing self, testified in opposition to HB 49. He stated, as a retailer, that he prioritizes selling legal and compliant products. He offered his belief that the proposed legislation would have detrimental effects on both "local business and the people of Alaska." He identified the proposed cap as his primary concern, arguing that it would effectively ban 75 percent of regulated vape products in Alaska, impacting retailers' ability to offer a diverse range of product to customers. He argued that increasingly limited choices could push customers towards the black market. He stated that in Anchorage, all taxes on tobacco and nicotine products are paid by the wholesalers. He asserted that the proposed legislation proposes a price-based tax that "would put the onerous tax collection and processing to the individual business for a single product line." He further stated that the proposed tax would increase the prices of legal products, giving illegal products a price advantage. He reiterated that when legal products are unavailable, the black market thrives. He concluded by urging the committee to oppose HB 49 and offered his belief that the most effective approach is working within a

federally regulated framework and allowing retailers to provide a variety of products. He concluded by stating that keeping a diverse market of regulated products would better serve customers and discourage the growth of the black market.

[4:16:23 PM](#)

TERESA WROBEL, Policy & Advocacy Program Specialist, Alaska Children's Trust, testified in support of HB 49. She read from a prepared statement [included in the committee file], which read as follows [original punctuation provided]:

- I am testifying in support of House Bill 49 which addresses the minimum purchase age and consistent taxing of tobacco products, including vaping products. Alaska Children's Trust believes in a future where Alaska's children, youth and families have the knowledge, skills, supports, and resources they need to thrive. Consistent with this vision, we support policies that promote the health and wellbeing of Alaska's children and youth, including policies targeted at reducing underage use of tobacco products.
- House Bill 49 supports the reduction in underage tobacco usage by aligning state law with federal statute, raising the minimum purchase age for all tobacco products from 19 to 21. Additionally [sic] HB49 establishes a sales tax for e-cigarette products, also commonly known as vapes, making the tax on vaping products consistent with taxes on other tobacco products in the state.
- Tax policies and age restrictions on purchases are policies associated with reducing underage use of tobacco products.
- According to KIDS COUNT 2024, 17% of Alaska high school students reported having used a vape in the past month. In 2022, vapes were the most used nicotine product by youth.
- Limiting access to youth through targeted taxation is a policy choice that is currently implemented in Alaska for other substances, including cigarettes and alcohol. Both cigarette smoking and use of alcohol have consistently declined since the introduction of taxes on these specific items. Alaska's last peak in underage alcohol use was in 2017.

- And research in other states has demonstrated that increased prices on e-cigarette products through taxes has resulted in a lower rate of use among youth.
- The policy changes in House Bill 49 would promote safe behaviors in Alaska's youth, increasing youth health and wellbeing.
- We encourage your support of House Bill 49. Thank you for the opportunity to testify today.

[4:18:23 PM](#)

CARRIE NYSSSEN, Vice President, Advocacy and Air Quality, American Lung Association (ALA), testified in support of HB 49. She stated that the U.S. Surgeon General declared e-cigarette use among youth to be an "epidemic." She asserted that Alaska could "do better at protecting youth from a lifetime of nicotine addiction." She explained that the American Lung Association grades states in its annual State of Tobacco Control report on policies that could lessen the health impacts of tobacco. She said that HB 49 addresses two recommendations in the report: establishing a tax on electronic devices and funding education programs. She refuted the assertion that e-cigarettes are cessation devices, stating no manufacturer has attempted to have their product approved as a cessation device. She stated that vapes/e-cigarettes deliver heavy metals like nickel, tin, and lead into the lungs, in addition to ultra fine particles that can cause inflammation throughout the body. Additionally, she asserted that none of the additive flavors used in e-cigarettes are approved for inhalation. Finally, she cited a 2013 study published in England, stating that researchers were paid by the vape industry. She asserted that the scientific community had since debunked the findings of this study. She concluded by stating that ALA fully supports raising the minimum age to purchase tobacco products to age 21 and further recommended removing the penalties for youth possession of said products, arguing that strategy does little to reduce underage consumption of them.

[4:20:48 PM](#)

JANICE PARK, representing self, testified during the hearing on HB 49. She stated that ultimately, the proposed legislation was about protecting children. She provided a personal anecdote, stating that her father, a lifelong smoker, smoked [combustible cigarettes] from a young age and experienced health complications throughout his life as a result, she asserted.

[4:22:39 PM](#)

ALEX MCDONALD, representing self, testified during the hearing on HB 49. He asserted that the proposed legislation would put a "tax on a tax." He claimed that nicotine had never been classified as a carcinogen and much of the information presented to the committee was "old and outdated." Additionally, he stated that the slideshow presentation for HB 49 is five years old and shows products that are no longer on the market. He cited a 2024 Alaska Beacon article, stating that current statistics on the past 30-day use [of e-cigarettes] was at its "lowest levels." He argued that the proposed legislation would push people to purchase black market products. He claimed that the Federal Drug Administration (FDA) currently recommends that smokers switch to safer alternatives such as vapor products like e-cigarettes. He concluded by asserting that the proposed legislation would encourage people to go against FDA guidelines.

[4:25:24 PM](#)

VALERIA DELGADO-LOPEZ, representing self, testified in support of HB 49. She read from a prepared statement [included in the committee file], which read as follows [original punctuation provided]:

Good afternoon, my name is Valeria Delgado Lopez, and I live in Anchorage. My work focuses on preventing tobacco and nicotine use, particularly among youth. A critical part of my job is educating students, parents, and teachers about the harms of e-cigarettes.

The stories I've encountered are alarming. In one Anchorage elementary school, 4th and 5th graders were trading chocolate milk for e-cigarette puffs. Schools are now reaching out for help because vaping is appearing even in elementary grades. Some schools have had to suspend children that young.

In middle and high schools, students continue to vape in bathrooms, keeping the cycle going. Some have even flushed vapes down toilets, causing costly plumbing damage. Many struggle to quit due to the high concentrations of nicotine, which fuels addiction at an early age.

Parents are also struggling. Just last week, a parent reached out for help after discovering their teen had been vaping for a year. The discreet design of e-cigarettes makes them easy to hide, making it even harder for parents to intervene early.

We know what works. Raising the purchasing age to 21 and taxing e-cigarettes are proven strategies to reduce youth vaping.

I urge you to support policies that raise e-cigarette taxes and strengthen youth protections. Thank you for your time

[4:27:26 PM](#)

JESSI WALTON, representing self, testified in opposition to HB 49. She claimed that the FDA recommends switching from traditional cigarettes to e-cigarettes, asserting that e-cigarettes have lower levels of harmful ingredients than traditional cigarettes. She stated that she quit smoking [traditional cigarettes] in 2013 [by making the switch to vapes]. She asserted that taxing e-cigarettes would go against public health, smoking-related Medicaid expenses, and the FDA guidelines. Further, she said that switching from [traditional] cigarettes to e-cigarettes lowers the incidence of smoking-related illnesses and the FDA has approved 30 different [vapor] products. She concluded by asking committee members to oppose HB 49.

[4:29:21 PM](#)

AARON OSTERBACK, representing self, testified in support of HB 49. He acknowledged that he was not aware of how bad the issue of e-cigarettes and vaping was in his community. He stated that, historically, doctors first promoted traditional tobacco products as a healthy means to take off stress. Further, he stated that, eventually, it was discovered that [traditional] cigarettes were not as healthy as once advertised. He shared personal anecdotes of family members regarding e-cigarette usage to challenge prior testimony stating it is healthy. He encouraged committee members to look at the suspension rates for the Anchorage School District (ASD), asserting that the second-highest reason for suspension is e-cigarette/vape usage. He offered his support for educational provisions, asserting that informed youth would make better decisions regarding their health. He asserted the use of vape detectors is a cost to the

community and argued that the industry needs to support preventative measures like vape detectors. He offered his belief that, over the long-term, e-cigarettes will be found to not be as healthy as claimed. He echoed other speakers stating that the tax will deter customers.

MR. OSTERBACK concluded by thanking the committee for their time.

[4:34:56 PM](#)

SHAUN D'SYLVA, Owner, Fatboy Vapors, testified in opposition to HB 49. He stated that he has been the co-owner of three vapor stores in Alaska since 2013. He said that Alaska has seen a reduction in the rates of traditional smoking and adult smoking rates are at the lowest they have ever been at 17 percent. He stated that the Alaska Youth Risk Behavior survey shows that both the youth smoking rate and the youth vaping rate have decreased since 2019. He noted that statistics given in the bill sponsor's presentation and the previous comment from [Ms. Nyssen] regarding the U.S. Surgeon General were sourced from 2019.

MR. D'SYLVA stated the industry supports sensible legislation, such as ensuring packaging is not youth-friendly and Tobacco 21 (T21) [laws], which, he noted, many states have already adopted. He shared concerns over the excise tax proposed under HB 49. He stated that the three vapor stores he owns are located in Anchorage, Fairbanks, and Wasilla, noting that his stores pay a wholesale tax. He remarked that the wholesale taxes are not used for tobacco cessation programs; in Fairbanks, the tax is being used to reduce property tax, and the tax in Wasilla goes into the city's general fund. He posited that smoking rates are higher in low-income individuals, and the proposed legislation would be harmful for adults trying to quit smoking [combustible cigarettes]. He asserted that the United Kingdom's (UK's) [Public Health England] has been studying vapes since 2009 and has asserted, repeatedly, that "vaping is at least 95 percent safer - not safe, but safer - than cigarettes." He declared the bad actors who sell to youth need to be punished and [bad actors] would not pay the proposed tax and concluded that the black market needs to be prevented.

[4:39:03 PM](#)

CO-CHAIR FIELDS, after ascertaining that there was no one else who wished to testify, closed public testimony on HB 49.

[4:39:20 PM](#)

REPRESENTATIVE NELSON noted that some of the publications on the introductory presentation for HB 49 appeared to be outdated.

[4:39:45 PM](#)

REPRESENTATIVE SARA HANNAN, Alaska State Legislature, as prime sponsor of HB 49, pointed to the Alaska Youth Risk Behavior survey that is taken every two years. She explained that there was a gap in surveys due to the COVID-19 pandemic and the last surveys were taken in 2019 and then in 2023. She further explained that in 2023, there was a dip in the data regarding e-cigarette usage, but not an overall decline in the trajectory. In response to prior testimony, she declared that she could not find any reference to vape recommendations on the FDA website. She reiterated that the proposed legislation does allow tax exemptions for any device that is federally classified as a cessation device. She repeated that if a vape product is approved by the FDA to be a cessation device, it would not be taxed under HB 49.

[4:41:58 PM](#)

REPRESENTATIVE NELSON noted that Ms. Mulvenon cited active engagement with students to cut down rates of vaping among students. He asked whether the bill sponsor thought parents should be doing more to prevent their children from using e-cigarettes.

[4:42:35 PM](#)

REPRESENTATIVE HANNAN responded yes. Additionally, she asserted that schools have a responsibility to upkeep community health goals and prevent exposures to products like vapes.

[4:43:26 PM](#)

REPRESENTATIVE NELSON voiced concerns about low-income individuals purchasing "sketchy" products online. He voiced additional concerns that the proposed legislation would push more people towards an illegal online black market.

[4:43:58 PM](#)

REPRESENTATIVE HANNAN responded that HB 49 would institute a tax on vape products sold in brick-and-mortar store or mail ordered from an online store. She explained that currently, mail order products besides cigarettes are not currently taxed under Alaska law. She stated that, regardless of whether a product is purchased in-person or online, the tax still is levied. She asserted that the tax burden is equalized.

REPRESENTATIVE HANNAN, in response to a follow-up question from Representative Nelson, asserted that the manufacturing of vapes is not regulated at all. She stated, "We want to make sure that we are regulating best we can products that are legally for sale." She stated that the proposed legislation does not reduce access to the product, unless one is 19- or 20-years-old. She asserted that HB 49 would not treat [legal] consumers of legal tobacco products "any differently."

[4:46:10 PM](#)

REPRESENTATIVE CARRICK moved to adopt Amendment 1 to HB 49, labeled 34-LS0368\A.7, Nauman, 2/10/25, which read as follows:

Page 3, line 18:

Delete "**\$300**"

Insert "**\$150**"

[4:46:16 PM](#)

CO-CHAIR HALL objected for the purpose of discussion.

[4:46:20 PM](#)

REPRESENTATIVE CARRICK explained that Amendment [1] would change the penalty for youth possession from \$300 to \$150. She explained that current statute can place up to a \$500 penalty for youth for possession, and [up to a] \$300 penalty for retailers who might sell to youth. She explained that HB 49, as currently drafted, would reduce the penalty for youth possession from \$500 to \$300, and Amendment [1] would reduce the ceiling penalty for youth possession even further from \$300 to \$150. She explained the amendment was written in response to data from the Court System and reported that the fine for youth is infrequently exacted up to \$300. She opined that it is sensible to charge the youth less than the retailer for possession. She stated the goal is to "get behavior ... back on track" not to unduly punish the youth.

[4:48:23 PM](#)

REPRESENTATIVE NELSON suggested removing the punishment for youth entirely.

[4:48:49 PM](#)

REPRESENTATIVE CARRICK offered her belief that there is value in having a penalty for youth but setting the penalty at the same rate to the retailer is unfair to minors. She asserted that the fine creates disincentive and maintained her intent for a fine reduction instead of a fine removal.

[4:49:44 PM](#)

CO-CHAIR HALL withdrew her objection.

[4:49:48 PM](#)

REPRESENTATIVE NELSON objected.

A roll call vote was taken. Representatives Burke, Carrick, Hall, and Fields voted in favor of the motion to adopt Amendment 1 to HB 49. Representatives Nelson and Coulombe voted against it. Therefore, Amendment 1 was adopted by a vote of 4-2.

[4:50:31 PM](#)

CO-CHAIR HALL moved to report HB 49, as amended, out of committee with individual recommendations and the accompanying fiscal notes.

REPRESENTATIVE NELSON objected.

A roll call vote was taken. Representatives Carrick, Burke, Hall, and Fields voted in favor of the motion to report HB 49, as amended, out of committee. Representatives Nelson and Coulombe voted against it. Therefore, CSHB 49(L&C) was reported out of the House Labor and Commerce Standing Committee by a vote of 4-2.

[4:51:30 PM](#)

The committee took an at-ease from 4:51 p.m. to 4:55 p.m.

**HB 74-CRIME COUNTERFEIT/NONFUNCTIONING AIRBAG**

[4:55:05 PM](#)

CO-CHAIR FIELDS announced that the final order of business would be HOUSE BILL NO. 74, "An Act establishing the crime of airbag fraud."

[4:55:18 PM](#)

CO-CHAIR FIELDS opened public testimony on HB 74. After ascertaining that there was no one who wished to testify, he closed public testimony.

CO-CHAIR FIELDS entertained a motion.

[4:55:42 PM](#)

CO-CHAIR HALL moved to report HB 74 out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, HB 74 was reported out of the House Labor and Commerce Standing Committee.

[4:56:02 PM](#)

**ADJOURNMENT**

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at [4:56] p.m.