

ALASKA STATE LEGISLATURE
HOUSE LABOR AND COMMERCE STANDING COMMITTEE

April 30, 2025

4:26 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

MEMBERS ABSENT

Representative David Nelson

COMMITTEE CALENDAR

HOUSE BILL NO. 182

"An Act relating to live music and entertainment at breweries, wineries, and distilleries."

- HEARD & HELD

HOUSE BILL NO. 178

"An Act relating to medical debt and consumer credit reporting agencies; relating to discriminatory practices based on the medical debt of a person; and providing for an effective date."

- HEARD & HELD

HOUSE BILL NO. 193

"An Act establishing a paid parental leave program; relating to unemployment benefits; relating to the collection of child support obligations; and relating to the duties of the Department of Labor and Workforce Development."

- HEARD & HELD

HOUSE BILL NO. 173

"An Act relating to occupational therapist licensure; relating to occupational therapy assistant licensure; and relating to an occupational therapist licensure compact."

- HEARD & HELD

CS FOR SS FOR SENATE BILL NO. 54(FIN)

"An Act relating to registered interior designers and interior design; relating to project costs for the construction, enlargement, or improvement of airports; extending the termination date of the State Board of Registration for Architects, Engineers, and Land Surveyors; relating to the State Board of Registration for Architects, Engineers, and Land Surveyors; establishing requirements for the practice of registered interior design; relating to the practice of architecture, engineering, land surveying, landscape architecture, and registered interior design; relating to the scope of the certification requirements for architects, engineers, land surveyors, landscape architects, and registered interior designers; relating to immunity for design professionals; relating to the cost of construction for recreation centers; relating to liens for labor or materials furnished; relating to the procurement of landscape architectural and interior design services; relating to the cost of construction of safe water and hygienic sewage disposal facilities in villages; and providing for an effective date."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 182

SHORT TITLE: ALCOHOL LICENSE: LIVE MUSIC/ENTERTAINMENT

SPONSOR(s): REPRESENTATIVE(s) HOLLAND

04/11/25 (H) READ THE FIRST TIME - REFERRALS
04/11/25 (H) L&C
04/30/25 (H) L&C AT 3:15 PM BARNES 124

BILL: HB 178

SHORT TITLE: MEDICAL DEBT: INFORMATION, DISCRIMINATION

SPONSOR(s): REPRESENTATIVE(s) MINA

04/09/25 (H) READ THE FIRST TIME - REFERRALS
04/09/25 (H) L&C, FIN
04/25/25 (H) L&C AT 9:00 AM BARNES 124
04/25/25 (H) Heard & Held
04/25/25 (H) MINUTE(L&C)
04/30/25 (H) L&C AT 3:15 PM BARNES 124

BILL: HB 193

SHORT TITLE: UNEMPLOYMENT BENEFITS; PAID PARENT LEAVE

SPONSOR (s) : REPRESENTATIVE (s) HALL

04/15/25 (H) READ THE FIRST TIME - REFERRALS
04/15/25 (H) L&C, FIN
04/16/25 (H) L&C AT 3:15 PM BARNES 124
04/16/25 (H) Heard & Held
04/16/25 (H) MINUTE(L&C)
04/23/25 (H) L&C AT 9:00 AM BARNES 124
04/23/25 (H) Heard & Held
04/23/25 (H) MINUTE(L&C)
04/25/25 (H) L&C AT 9:00 AM BARNES 124
04/25/25 (H) <Bill Hearing Canceled>
04/28/25 (H) L&C AT 3:15 PM BARNES 124
04/28/25 (H) Heard & Held
04/28/25 (H) MINUTE(L&C)
04/30/25 (H) L&C AT 3:15 PM BARNES 124

BILL: HB 173

SHORT TITLE: OCCUPATIONAL THERAPY LICENSURE COMPACT

SPONSOR (s) : REPRESENTATIVE (s) JIMMIE

04/07/25 (H) READ THE FIRST TIME - REFERRALS
04/07/25 (H) L&C, FIN
04/30/25 (H) L&C AT 3:15 PM BARNES 124

BILL: SB 54

SHORT TITLE: EXT ARCH, ENG, SURVEY BRD; REG INT DESIGN

SPONSOR (s) : SENATOR (s) CLAMAN

01/24/25 (S) READ THE FIRST TIME - REFERRALS
01/24/25 (S) L&C, FIN
02/24/25 (S) SPONSOR SUBSTITUTE INTRODUCED-REFERRALS
02/24/25 (S) L&C, FIN
02/26/25 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
02/26/25 (S) Heard & Held
02/26/25 (S) MINUTE(L&C)
03/05/25 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
03/05/25 (S) Heard & Held
03/05/25 (S) MINUTE(L&C)
03/07/25 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
03/07/25 (S) Heard & Held
03/07/25 (S) MINUTE(L&C)
03/12/25 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
03/12/25 (S) Moved CSSSSB 54(L&C) Out of Committee
03/12/25 (S) MINUTE(L&C)
03/14/25 (S) L&C RPT CS 2DP 2NR SAME TITLE
03/14/25 (S) DP: BJORKMAN, GRAY-JACKSON

03/14/25 (S) NR: MERRICK, YUNDT
03/27/25 (S) FIN AT 9:00 AM SENATE FINANCE 532
03/27/25 (S) Heard & Held
03/27/25 (S) MINUTE(FIN)
04/11/25 (S) FIN AT 9:00 AM SENATE FINANCE 532
04/11/25 (S) Moved CSSSSB 54(FIN) Out of Committee
04/11/25 (S) MINUTE(FIN)
04/14/25 (S) FIN RPT CS 1DP 5NR NEW TITLE
04/14/25 (S) DP: HOFFMAN
04/14/25 (S) NR: OLSON, STEDMAN, CRONK, MERRICK,
KIEHL
04/23/25 (S) TRANSMITTED TO (H)
04/23/25 (S) VERSION: CSSSSB 54(FIN)
04/25/25 (H) READ THE FIRST TIME - REFERRALS
04/25/25 (H) L&C, FIN
04/30/25 (H) L&C AT 3:15 PM BARNES 124

WITNESS REGISTER

REPRESENTATIVE KY HOLLAND
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: As prime sponsor, presented HB 182.

EVAN WOOD, President
Brewers Guild of Alaska
Juneau, Alaska

POSITION STATEMENT: Gave invited testimony in support of HB 182.

MARIAN CALL, Director
Music Alaska
Juneau, Alaska

POSITION STATEMENT: Gave invited testimony in support of HB 182.

STEPHANIE HAFKINS, Executive Director
Brewers Guild of Alaska
Fairbanks, Alaska

POSITION STATEMENT: Gave invited testimony in support of HB 182.

BRAD LIPTON, Senior Fellow
Consumer Federation of America
Washington D.C.

POSITION STATEMENT: Gave invited testimony in support of HB 178.

REPRESENTATIVE GENEVIEVE MINA
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: As prime sponsor, answered questions during the hearing on HB 178.

JESSICA PARKS, Chief Operating Officer
Anchorage Coalition to End Homelessness
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 178.

KRIS QUIGLEY, Director
Government Relations, Consumer Data Industry Association
Sacramento, California

POSITION STATEMENT: Testified in opposition to HB 178.

CLARK HANSON, Managing Director of Advocacy
ALS Association
Wenatchee, Washington

POSITION STATEMENT: Testified in support of HB 178 and was available for questions.

EMILY NENON, Director
Alaska Government Relations
American Cancer Society Cancer Action Network
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 178.

BRAD LIPTON, Senior Fellow
Consumer Federation of America
Washington D.C.

POSITION STATEMENT: Answered questions during the hearing on HB 178.

PALOMA HARBOUR, Director
Division of Employment and Training Services
Department of Labor & Workforce Development
Juneau, Alaska

POSITION STATEMENT: Co-presented a document, titled "HB 193 Alaska Unemployment Insurance Trust Fund Analysis."

LENNON WELLER, Economist 3
Division of Administrative Services
Department of Labor & Workforce Development
Juneau, Alaska

POSITION STATEMENT: Co-presented a document on HB 193 and answered questions from the committee.

REPRESENTATIVE NELLIE JIMMIE
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: As prime sponsor, presented HB 173.

KEENAN MILLER, Staff
Representative Nellie Jimmie
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: On behalf of Representative Jimmie, prime sponsor of HB 173, presented HB 173.

KATHLEEN HANSEN, Occupational Therapist
Southeast Alaska Regional Health Consortium
Juneau, Alaska

POSITION STATEMENT: Gave invited testimony in support of HB 173.

BRIANNE OSWALD, President
Alaska Occupational Therapy Association
Anchorage, Alaska

POSITION STATEMENT: Gave invited testimony in support of HB 173.

CARL SIMS, Deputy Program Director
National Center for State Compacts
Council of State Governments
Lexington, Kentucky

POSITION STATEMENT: Gave invited testimony in support of HB 173.

SENATOR MATT CLAMAN
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: As prime sponsor, presented SB 54.

COLIN MAYNARD, Chair
Legislative Liaison Committee
Alaska Board of Architects, Engineers, & Land Surveyors
Anchorage, Alaska

POSITION STATEMENT: Gave invited testimony in support of SB 54.

DANA NUNN, Chair
Governor Advocacy Committee

American Society of Interior Designers, Alaska Chapter
Anchorage, Alaska

POSITION STATEMENT: Answered questions during the hearing on SB 54.

MATT BARUSCH, Director
Government Affairs
Council for Interior Design Qualification
Alexandria, Virginia

POSITION STATEMENT: Gave invited testimony in support of SB 54.

JESSICA CEDERBERG
American Institute of Architects Alaska
Anchorage, Alaska

POSITION STATEMENT: Gave invited testimony during the hearing on SB 54.

KRIS CURTIS, Auditor
Division of Legislative Audit
Legislative Agencies and Offices
Juneau, Alaska

POSITION STATEMENT: Gave invited testimony during the hearing on SB 54.

ACTION NARRATIVE

[4:26:42 PM](#)

CO-CHAIR ZACK FIELDS called the House Labor and Commerce Standing Committee meeting to order at 4:26 p.m. Representatives Burke, Carrick, Hall, and Fields were present at the call to order. Representatives Saddler and Coulombe arrived as the meeting was in progress.

HB 182-ALCOHOL LICENSE: LIVE MUSIC/ENTERTAINMENT

[4:26:56 PM](#)

CO-CHAIR FIELDS announced that the first order of business would be HOUSE BILL NO. 182, "An Act relating to live music and entertainment at breweries, wineries, and distilleries."

[4:27:09 PM](#)

REPRESENTATIVE KY HOLLAND, Alaska State Legislature, as prime sponsor, presented HB 182. He explained that current legislation allows breweries, wineries, and distilleries in

Alaska to hold four events annually and further requires a permit to be acquired per event. He stated that the permitting requirements per event are identical to requirements already met in acquiring licensure. He explained that HB 182 would simplify the requirements for events and would allow breweries, wineries, and distilleries to put on events with their existing licenses.

[4:28:36 PM](#)

EVAN WOOD, President, Brewers Guild of Alaska (BGA), gave invited testimony in support of HB 182. He stated that BGA represents breweries, wineries, and distilleries throughout Alaska. He stated that BGA supports HB 182, as is. He asserted that the placement of live events in the permitting section of Alaska Statute (AS) for breweries, wineries, and distilleries was non-sensical because the premises are already licensed. He stated that the permitting process currently used for breweries, wineries, and distilleries are typically used for off-premises events like beer festivals, catering event, et cetera. He asserted that the current laws add additional costs and unnecessary bureaucracy and asserted that HB 182 would make it easier and more affordable for breweries, wineries, and distilleries to host musicians in their spaces.

[4:29:51 PM](#)

MARIAN CALL, Director, Music Alaska, gave invited testimony in support of HB 182. She explained that Music Alaska represents thousands of musicians and hundreds of music businesses across Alaska. She explained that, regardless of the original intent of current statute, the fee is essentially a tax taken from the musicians. She stated that the \$150 fee is taken out of musicians' or producers' revenue for the night, in addition to the cost of room rentals. She referred to the Statewide Alaska Music Census, citing that musicians typically garner about \$130 to \$160 per show, which, she stated, equates to less than minimum wage when considering set-up, teardown, and rehearsal hours. She asserted that musicians are paying the fees and the fee strongly disincentivizes musicians from working with certain businesses.

[4:31:20 PM](#)

STEPHANIE HAFKINS, Executive Director, Brewers Guild of Alaska, gave invited testimony in support of HB 182. She stated that the current permitting process for live event permits for those with manufacturer or retail licenses is "cumbersome and

redundant." She asserted that HB 182 would remove red tape and make the production of live events more affordable. She noted that applicants must pay a \$100 fee to the Alcohol & Marijuana Control Office (AMCO) per each approved live event permit and usually applicants have to pay an additional fee for the approval of local law enforcement officers. She explained that, unlike a catering permit, a manufacturer retail licensed live event permit does not require that the permittee include a security plan or server list given that the events take place on premises with regular employees. She argued that the current process was costly and bureaucratic and required approval for activities already allowed under statute. She stated that HB 182 would remove hurdles and would encourage the affected businesses to exercise the full privilege of their licenses and collaborate more freely with musicians. She concluded by encouraging the committee members to support HB 182 and stated that it would help communities across Alaska.

[4:34:02 PM](#)

REPRESENTATIVE SADDLER asked Ms. Hafkins if she agreed that the fee was actually a tax on musicians.

MS. HAFKINS explained that it varied business to business on how they chose to pay permitting fees or additional fees, but it can often affect musicians. She noted that holding four permitted events a year tends to be quite costly for her own business, as her business additionally rents stages and sound equipment as needed.

[4:35:26 PM](#)

CO-CHAIR FIELDS set an amendment deadline for HB 182.

[HB 182 was held over.]

HB 178-MEDICAL DEBT: INFORMATION, DISCRIMINATION

[4:35:33 PM](#)

CO-CHAIR FIELDS announced that the next order of business would be HOUSE BILL NO. 178, "An Act relating to medical debt and consumer credit reporting agencies; relating to discriminatory practices based on the medical debt of a person; and providing for an effective date."

[4:36:00 PM](#)

BRAD LIPTON, Senior Fellow, Consumer Federation of America (CFA), gave invited testimony in support of HB 178. He asserted that HB 178 would represent a step forward in creating a fair credit reporting system that accurately reflects a consumer's creditworthiness while protecting them from the burden of medical debt. He noted that credit reports are very important for millions of Americans in purchasing a home, a car, starting a business, applying for a job, et cetera. He referred to literature asserting that medical debt was fundamentally different from other types of debt and not a reliable indicator of credit worthiness. He noted that the Consumer Financial Protection Bureau (CFPB) recently proposed a rule banning medical debt from credit reports; however, he stated that this rule is facing ongoing legal challenges. He reported that 11 states have passed legislation to address medical debt credit reporting. He asserted that states have the authority to pass legislation without facing federal preemption. He asserted that HB 178 would help thousands of residents in Alaska dealing with medical debt, particularly communities that already face economic barriers. He welcomed questions from the committee.

[4:38:27 PM](#)

CO-CHAIR FIELDS asked for confirmation that, were HB 178 to become law, healthcare providers could still collect unpaid bills from individuals who received care at their facilities.

[4:38:39 PM](#)

REPRESENTATIVE GENEVIEVE MINA, Alaska State Legislature, as prime sponsor, confirmed that was correct and further stated that HB 178 would not relieve individuals of their medical debt. Rather, she explained that the proposed legislation was intended to ensure that medical debt would not influence credit scores, or an individual's ability to find housing or employment. She noted that debt collectors could still, under HB 178, use other enforcement mechanisms to collect debt, such as garnishing an Alaska resident's permanent fund dividend (PFD) check.

[HB 178 was set aside and taken up later.]

HB 193-UNEMPLOYMENT BENEFITS; PAID PARENT LEAVE

[4:39:36 PM](#)

CO-CHAIR FIELDS announced that the next order of business would be HOUSE BILL NO. 193, "An Act establishing a paid parental leave program; relating to unemployment benefits; relating to the collection of child support obligations; and relating to the duties of the Department of Labor and Workforce Development."

[4:40:17 PM](#)

LENNON WELLER, Economist, Department of Labor & Workforce Development (DOLWD), introduced himself for the public record and stated he was available for questions regarding the funding mechanism for HB 193.

[4:40:48 PM](#)

The committee took a brief at-ease at 4:40 p.m.

[4:41:18 PM](#)

CO-CHAIR FIELDS [set HB 193 aside to be taken up later.]

HB 178-MEDICAL DEBT: INFORMATION, DISCRIMINATION

[4:41:20 PM](#)

CO-CHAIR FIELDS [announced that the next order of business would be a return to HOUSE BILL NO. 178, "An Act relating to medical debt and consumer credit reporting agencies; relating to discriminatory practices based on the medical debt of a person; and providing for an effective date."]

CO-CHAIR FIELDS opened public testimony on HB 178.

[4:42:00 PM](#)

JESSICA PARKS, Chief Operating Officer, Anchorage Coalition to End Homelessness (ACEH), testified in support of HB 178. She explained that ACEH leads Anchorage's coordinated response to homelessness in the implementation of Anchorage Home, the community's strategic plan that envisions homelessness to be "brief, rare, and one-time." She further explained that a tenet of the strategic plan was decreasing barriers to housing for vulnerable populations. She asserted that HB 178 would address one barrier to housing, medical debt, which, she said disproportionately affected low-income individuals, communities of color, and homeless or individuals at-risk of homelessness. She reported that two-thirds of bankruptcies are related to

medical issues across the U.S. She cited the 2022 KFF Healthcare Debt Survey, stating that one in five people with medical debt had to change their living situation, such as moving in with family or friends. She cited a University of Washington study that found medical debt contributed to an additional two years of homelessness in Seattle, Washington. She explained that HB 178 would remove medical debt from credit reports and would additionally prohibit landlords and employers from refusing an individual due to medical debt. She concluded by thanking Representative Mina for introducing the "forward-thinking" legislation that would remove discriminatory practices that were tied to medical debt and welcomed questions from committee members.

[4:44:16 PM](#)

REPRESENTATIVE SADDLER queried the relationship between homelessness and credit rates, asking which came first.

MS. PARKS replied that many people enter homelessness because of financial difficulties and no longer being able to afford housing. She said that many people who are experiencing homelessness have subsequent financial difficulties and experience impacts on their credit.

[4:45:20 PM](#)

KRIS QUIGLEY, Director, Government Relations, Consumer Data Industry Association (CDA), testified in opposition to HB 178. She clarified that her organization opposed Section 4 of the proposed legislation. She explained that her organization represents consumer reporting agencies, including nationwide, regional, and specialized credit bureaus in addition to background check companies. She stated that the Fair Credit Reporting Act contains preemption provisions that prohibit states from regulating areas of consumer reporting under federal law. She asserted that HB 178 conflicts with federal provisions. She asserted that CFPB lacks the legal authority to prohibit creditors from considering medical debt as well as dictating the contents of what is included in credit reports. She explained that Congress established a detailed framework that governs the contents of credit reporting which is laid out in the Fair Credit Reporting Act. She thanked Representative Mina for meeting with her lobbyists in Alaska and welcomed questions from the committee.

[4:46:59 PM](#)

MS. QUIGLEY, in response to Representative Saddler's question on federal preemption and documentation, stated that she would forward information to the committee members.

[4:48:12 PM](#)

CLARK HANSON, Managing Director of Advocacy, ALS Association, testified in support of HB 178. He stated that he provided invited testimony in a previous hearing and reiterated his organization's support for HB 178. He further stated that he was available for questions.

[4:48:40 PM](#)

EMILY NENON, Director, Alaska Government Relations, American Cancer Society Cancer Action Network (ACS CAN), testified in support of HB 178. She echoed other speakers in asserting that medical debt was unlike other forms of debt in that no one chooses to become ill. She noted that her organization conducts periodic surveys of cancer patients and survivors and reported that they did a nationwide survey specifically related to medical debt. She reported that half of those surveyed had medical debt related to cancer, despite 98 percent of those surveyed having insurance at the time of their diagnoses. She stated that medical bills are often confusing and inaccurate, and reported that medical bills are disputed at three times the rate of credit card debt. She asserted that adverse credit reporting creates stress for the patient. She echoed the bill sponsor, noting that patients are still responsible for paying their medical bills.

[4:50:49 PM](#)

REPRESENTATIVE SADDLER noted that major reporting agencies mutually agreed to not include the first \$500 of medical debt in credit reports. He asked what effect that might have on a person.

MS. NENON responded that she did not have that information.

REPRESENTATIVE SADDLER noted the argument that the absence of any reporting of medical debt is beneficial. He suggested that an incremental reduction of medical debt reporting could have an incremental benefit.

[4:51:59 PM](#)

CO-CHAIR FIELDS asked whether Alaska was preempted from passing HB 178.

BRAD LIPTON, Senior Fellow, Consumer Federation of America (CFA), answered no. He stated that the Fair Credit Reporting Act does have a preemption provision but stated that federal standard was "a floor, not a ceiling." He noted that items that appear on a credit report are not federally preempted. He further referred to a case out of the First Circuit, CDA v. Frey, where CDA unsuccessfully sued Maine for preempting the Fair Credit Reporting Act.

[4:53:08 PM](#)

CO-CHAIR HALL asked if CFPB had enforcement or regulatory authority.

MR. LIPTON responded that both states and CFPB have enforcement and regulation capacities.

[4:53:33 PM](#)

MR. LIPTON, in response to a question from Representative Saddler, repeated that, under the Fair Credit Reporting Act, there was no "preemption of state medical debt credit reporting bans." He noted that there are preempted topics, such as how long information can appear on a credit report. He further noted that the states can regulate the contents of a credit report but stated that there has been a fair amount of litigation.

REPRESENTATIVE SADDLER requested documentation to support Mr. Lipton's response.

[4:55:33 PM](#)

CO-CHAIR FIELDS, after ascertaining that there was no one else who wished to testify, closed public testimony on HB 178.

[HB 178 was held over.]

HB 193-UNEMPLOYMENT BENEFITS; PAID PARENT LEAVE

[4:55:47 PM](#)

CO-CHAIR FIELDS announced that the next order of business would be [a return to] HOUSE BILL NO. 193, "An Act establishing a paid parental leave program; relating to unemployment benefits; relating to the collection of child support obligations; and relating to the duties of the Department of Labor and Workforce Development."

[4:56:16 PM](#)

PALOMA HARBOUR, Director, Division of Employment and Training Services, Department of Labor & Workforce Development (DLWD), as co-presenter, introduced herself for the public record.

[4:56:25 PM](#)

LENNON WELLER, Economist 3, Division of Administrative Services, Department of Labor & Workforce Development, co-presented a document, titled "HB 193 Alaska Unemployment Insurance (UI) Trust Fund Analysis" [included in the committee packet]. He introduced himself for the public record.

MS. HARBOUR began on page 4 of the document, drawing committee members' attention to a line graph representative of the current health of the UI trust fund. She noted that the line graph shows the balance of the fund as recently as November of 2024 of over \$736 million. She reported that the target solvency level was approximately \$550 million as of September 2024, noting that there is a significant balance in the trust fund above statutory targets.

MS. HARBOUR moved to page 5, drawing committee members' attention to four line graphs representing baseline cost scenarios and the resulting reserve ratios. She reminded committee members that the target reserve ratio was between 3 and 3.3 percent. She explained that the dark blue line represented the growth of the reserve ratio with no changes between calendar year 2025 and 2030, noting that the trust fund would likely grow to \$1 billion within the next five to eight years. She explained that the orange line implements only the maximum weekly benefit increase proposed under HB 193. She noted that the fund would continue to grow in this scenario. She explained that the green line was representative of the benefit cost increase and additionally diverts 0.15 percent of wages from the employees' trust fund to the parental leave program proposed by HB 193. She noted that the fund would continue to grow in this scenario. She explained that the purple line was representative of the benefit rate increase, the

employee diversion of 0.15 percent and an additional employer contribution diversion of 0.25 percent to the paid parental leave program, and an additional reduction of employer contribution to the UI trust fund by 0.25 percent - an overall change of the minimum tax rate from 1 percent to 0.5 percent. She noted that under the fourth scenario, the fund would begin to decrease and that it would reach the target reserve ratio by 2037, assuming no major recession.

[5:00:26 PM](#)

CO-CHAIR FIELDS emphasized that the legislators had the ability to reduce taxes and create a parental leave program without endangering the trust fund.

[5:00:38 PM](#)

MS. HARBOUR, in response to a question from Representative Saddler, stated that currently in statute, there was a 1 percent minimum employer contribution to the UI trust fund. She explained that she was asked to model 0.25 percent reduction to the paid parental leave program and an additional 0.25 reduction of the employer tax rate.

[5:01:21 PM](#)

CO-CHAIR FIELDS reiterated that the legislature could both reduce the employer tax rate and fund a parental leave program without endangering the trust fund.

[5:01:43 PM](#)

MS. HARBOUR moved to page 6, drawing committee members' attention to four line graphs representing recession cost scenarios and the resulting reserve ratios. She noted that the different colors of the lines correspond to the same scenarios outlined in the previous slide. She stated that in all four scenarios, the trust fund could withstand an extreme recession, beyond anything that Alaska has experienced, historically.

[5:02:27 PM](#)

CO-CHAIR FIELDS noted that if such a model were adopted, DLWD would retain the ability to change the contribution rate should the solvency necessitate it.

[5:03:12 PM](#)

REPRESENTATIVE SADDLER asked if the presentation presumed the same duration of benefits laid out in the proposed legislation.

MS. HARBOUR replied that scenarios are oriented around revenue to the trust fund. She noted that there was less focus on the paid parental leave benefit program in her presentation.

REPRESENTATIVE SADDLER asked for confirmation that the presentation illustrated how much money could be diverted elsewhere and still leave the fund solvent.

MS. HARBOUR confirmed that that was correct.

MS. HARBOUR, in response to an additional question from Representative Saddler, stated that the write-up speaks to some money figures associated with the line graphs. She spoke to the last scenario, noting that it includes diversions from both employer and employee contributions. She stated that it would generate approximately \$15 million in revenue from the employee contributions and approximately \$25 million in revenue from the employer contributions to the paid parental leave program. She further reported that the fourth scenario would also result in a tax cut for employers of approximately \$25 million.

[5:05:20 PM](#)

CO-CHAIR FIELDS facilitated a brief discussion on amendments to the proposed legislation.

[5:07:10 PM](#)

REPRESENTATIVE COULOMBE stated that the presentation from the Alaska Children's Trust (ACT) during the last hearing reported that there was not enough money for the program envisioned under HB 193. She asked whether that presentation was incorrect with its numbers.

CO-CHAIR HALL offered her understanding that the ACT presentation included paid parental leave, paid family leave, and paid family and medical leave. She stated her preference for limiting the proposed legislation to only paid parental leave and later expanding the program should it be successful.

[5:08:10 PM](#)

CO-CHAIR FIELDS offered his belief that ACT was correct in stating that an employee-only contribution of 0.15 percent was likely insufficient to provide for the parental leave program long-term.

[5:08:38 PM](#)

CO-CHAIR HALL spoke to an amendment in the drafting process that envisioned different increments of paid parental leave at varying degrees of compensation to allow more flexibility for families in planning paid parental leave.

CO-CHAIR FIELDS remarked that the amendment Co-Chair Hall spoke to was in response to the presentation from ACT, noting that 50 percent wage replacement was not feasible for everyone.

[5:09:45 PM](#)

REPRESENTATIVE SADDLER asked whether there was any modeling to predict how many people would take advantage of the program proposed under HB 193.

CO-CHAIR FIELDS deferred to Mr. Weller.

[5:10:28 PM](#)

MR. WELLER noted that it was difficult to pinpoint the exact cost of the program with no historical experience. He stated that Alaska experienced around 9,000 births [in 2023], and the maximal cost of the program could be a couple hundred million dollars. He stated that, historically, individuals collect about 10 weeks of parental leave on average, and that the current average weekly UI benefit collected was approximately \$240. He estimated that there would be 1,500 to 2,000 initial claims in a calendar year, which was representative of an uptake of 10 percent. He spoke to other states, noting that wages are typically taxed at a rate of 1 percent and the costs of similar programs in other states are high. He spoke about a potential range of costs, suggesting that it could start at \$8 to \$10 million.

[5:14:30 PM](#)

CO-CHAIR FIELDS spoke to the importance of adjustment mechanisms and tracking the uptake of the proposed program under HB 193.

REPRESENTATIVE SADDLER noted that HB 193 could be very costly for Alaska. He requested more hard data.

[5:15:32 PM](#)

MR. WELLER replied that, due to confidentiality issues, conjuring hard data on the subject would be difficult, but he would follow up with more information when available.

REPRESENTATIVE SADDLER requested information from other states that have passed similar legislation.

[5:16:55 PM](#)

CO-CHAIR FIELDS offered his belief that the earned benefit would work as a first in a system that could be tapped out, like other states with similar legislation. He asked Ms. Harbour if his interpretation was correct.

[5:17:30 PM](#)

MS. HARBOUR noted that there was statutory language in the workers' compensation benefit guaranty fund that states if benefit claims exceeded revenue funds, then claims would be paid in a "first in, first out" manner as soon as funds were sufficiently available. She commented that she was unsure if that type of language would be beneficial under HB 193.

[5:18:05 PM](#)

REPRESENTATIVE SADDLER stressed the importance of real data when discussing and modifying the proposed legislation. He suggested delaying the pay of benefits for one year after implementing the revenue-collecting mechanisms of HB 193.

CO-CHAIR FIELDS offered his agreement with Representative Saddler. He set an amendment deadline.

[HB 193 was held over.]

HB 173-OCCUPATIONAL THERAPY LICENSURE COMPACT

[5:18:43 PM](#)

CO-CHAIR FIELDS announced that the next order of business would be HOUSE BILL NO. 173, "An Act relating to occupational

therapist licensure; relating to occupational therapy assistant licensure; and relating to an occupational therapist licensure compact."

[5:19:33 PM](#)

REPRESENTATIVE NELLIE JIMMIE, Alaska State Legislature, as prime sponsor, presented HB 173. She explained that HB 173 would make it easier for occupational therapists to come and practice in Alaska. She noted that there is a need for over 200 occupational therapists (OTs) in Alaska, noting that it is difficult to access occupational therapy services in Alaska and that services are often delayed. She said that in rural communities, it can be even more difficult to access this service due to increased transportation challenges.

[5:21:15 PM](#)

KEENAN MILLER, Staff, Representative Nellie Jimmie, Alaska State Legislature, on behalf of Representative Jimmie, prime sponsor of HB 173, presented HB 173. He explained that HB 173 was similar to the physical therapy compact enacted by the legislature in 2024, noting that HB 173 would utilize a "privilege to practice" model. He explained that an occupational therapist may retain their home-state license and, under HB 173, apply for a privilege to practice. He explained that the Department of Commerce, Community & Economic Development (DCCED) would then check the applicant's credentials in their home state. He stated that if the applicants record is clean, they would be allowed to practice in Alaska, so long as they maintain Alaska law and regulations. He reported that access to occupational therapists (OTs) has been a long-standing issue in Alaska. He noted that OTs disproportionately practice in urban hubs, making it difficult for rural and remote communities to access care. He noted that there are over 200 openings for OTs across the state. He further noted that OT care was critical for people performing everyday tasks.

[5:23:10 PM](#)

KATHLEEN HANSEN, Occupational Therapist, Southeast Alaska Regional Health Consortium (SEARHC), gave invited testimony in support of HB 173. She stated that she was an occupational therapist in Juneau and offered care from birth to elder care in both inpatient and outpatient settings. She noted that she was the hiring manager for various clinics in Juneau and stated that it has been difficult to find occupational therapists and

occupational therapy assistants. She noted that HB 173 would make it easier for OTs to come from other states and practice in Alaska and address any delays in licensure for OTs doing so. She asserted that HB 173 would increase access to OT services in Alaska communities.

[5:24:37 PM](#)

BRIANNE OSWALD, President, Alaska Occupational Therapy Association (AKOTA), gave invited testimony in support of HB 173. She stated that she practices in Anchorage in a variety of settings, including hospitals, schools, and both inpatient and outpatient clinics. She noted that Alaska has only one OT school, which graduates approximately 10 to 14 individuals a year. She echoed other speakers by stressing that there are over 200 job postings for OTs. She shared a personal anecdote, stating that she experienced a two month delay in receiving her license to practice in Alaska. She noted that, while she was based in Anchorage, she served individuals from all over the state. She asserted that HB 173 would help improve access to OT services in Alaska.

[5:26:31 PM](#)

REPRESENTATIVE SADDLER asked if an increase in the number of occupational therapists would lower wages overall.

MS. OSWALD replied that had not been her experience practicing in other states that have implemented compact licensure.

[5:27:27 PM](#)

CARL SIMS, Deputy Program Director, National Center for Interstate Compacts (NCIC), Council of State Governments (CSG), gave invited testimony in support of HB 173. He stated that the organization he works for offers non-partisan support for interstate compacts. He highlighted two features of OT compacts, noting that it helps preserve state sovereignty while also streamlining the licensing process for OTs. He stated that occupational therapists practicing in Alaska would be required to adhere to Alaska laws and regulations and further noted that Alaska could opt to require OTs to complete a jurisprudence exam. He further stated that Alaska, under HB 173, would have the authority to discipline OTs for violations of Alaska law or regulation. He noted that an OT must have a clean, unencumbered license and a background check to join the OT compact. He further noted that the compact provides shared access to a state

database system, where all states in the compact share information regarding disciplinary action and state-specific laws and regulations.

[5:29:00 PM](#)

MR. SIMS, in response to a question from Representative Saddler, replied that he was in the Council of State Governments, which was housed in the National Center for State Compacts.

[5:29:38 PM](#)

CO-CHAIR FIELDS set an amendment deadline for HB 173.

[HB 173 was held over.]

SB 54-EXT ARCH, ENG, SURVEY BRD; REG INT DESIGN

[5:29:56 PM](#)

CO-CHAIR FIELDS announced that the final order of business would be CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 54(FIN), "An Act relating to registered interior designers and interior design; relating to project costs for the construction, enlargement, or improvement of airports; extending the termination date of the State Board of Registration for Architects, Engineers, and Land Surveyors; relating to the State Board of Registration for Architects, Engineers, and Land Surveyors; establishing requirements for the practice of registered interior design; relating to the practice of architecture, engineering, land surveying, landscape architecture, and registered interior design; relating to the scope of the certification requirements for architects, engineers, land surveyors, landscape architects, and registered interior designers; relating to immunity for design professionals; relating to the cost of construction for recreation centers; relating to liens for labor or materials furnished; relating to the procurement of landscape architectural and interior design services; relating to the cost of construction of safe water and hygienic sewage disposal facilities in villages; and providing for an effective date."

[5:30:58 PM](#)

SENATOR MATT CLAMAN, Alaska State Legislature, as prime sponsor, presented CSSB 54(FIN). He gave a sponsor statement for CSSB

54(FIN) [included in the committee file], which read as follows [original punctuation provided]:

Senate Bill 54 will extend the statutory authorization for the Board of Architects, Engineers, and Land Surveyors (AELS Board), add Registered Interior Designers to the board's jurisdiction, and make statutory

changes requested by the board. This bill will allow the AELS Board to continue the important work of regulating design professionals in Alaska and add a qualified interior designer to the board.

The 2024 Sunset Audit of the AELS Board concluded that the board served the public's interest and recommended that it be extended by eight years. In this bill, the AELS Board is taking the opportunity to update outdated language based on their analysis since the last sunset audit.

Another important part of SB 54 is the opportunity for qualified interior designers to register with the AELS Board. Those wishing to practice registered interior design in buildings of public occupancy within a

regulated scope of services impacting public health, safety, or welfare will now have a pathway to registration. SB 54 will allow designers practicing in public occupancy buildings to be qualified to do so, providing another measure of public safety protection and risk-mitigation for commercial buildings. It will increase the design professionals able to work independently within the commercial real estate industry.

Passage of SB 54 will allow Alaska to join other forward-looking states in providing a construction document stamp to allow registered interior designers to submit their own work for permitting. These states have recognized that increasing access to qualified design professionals in the design and construction marketplace means greater choice for consumers, cost savings, greater opportunity for small businesses, enhanced project teams, and improved completion schedules. These states have maintained public safety standards.

SB 54 will bring economic benefits by increasing professional employment opportunities, providing

incentive to hire Alaskans for professional interior design, attracting high-quality design talent to the state, encouraging small business, and expanding consumer choices for qualified design professionals. SB 54 does not change the requirements or daily practice for any other professional in design or construction including architects, engineers, contractors, trades people, decorators, or residential designers.

[5:34:52 PM](#)

REPRESENTATIVE SADDLER asked how many interior designers are practicing in Alaska.

SENATOR CLAMAN offered his belief that there may be hundreds of interior designers practicing in Alaska.

[5:35:30 PM](#)

COLIN MAYNARD, Chair, Legislative Liaison Committee, Alaska Board of Architects, Engineers, & Land Surveyors ("the board"), gave invited testimony in support of CSSB 54(FIN). He stated that the proposed legislation recognizes the contributions that the board makes to public health, safety, and welfare. He further noted that CSSB 54(FIN) recognizes that the board follows all applicable statutes and regulations and provides an eight year extension. He further noted that the proposed legislation would make several statutory changes requested or approved by the board, including altering the makeup of the board; placing in statute the appropriate salary range for the executive administrator; adding a Title Act for registered interior designers which would allow qualified individuals to practice independently; modifying and adding statutes at the request of the National Transportation Safety Board (NTSB) and the Department of Environmental Conservation (DEC); and modifying existing statutes to ensure that all design professions are treated similarly by the State of Alaska. He encouraged the passage of CSSB 54(FIN), so as to avoid the sunset of the board which would begin on July 1, [2025].

MR. MAYNARD, in response to Representative Saddler's earlier question, stated that there were about 55 individuals that had active or inactive National Council for Interior Design Qualification (NCIDQ) certifications and commented that there are typically as many out-of-state registrants as there are in-

state registrants. He estimated that there could be 100 to 200 interior designers who held certifications in Alaska.

MR. MAYNARD, in response to an additional question from Representative Saddler, further noted that there are a lot of individuals who do not have the NCIDQ certification, as it was not currently necessary, but may be in the future.

[5:38:18 PM](#)

SENATOR CLAMAN noted that the proposed legislation makes a distinction between registered interior designers and interior designers in the state. He suspected that there are likely thousands of individuals who might be considered interior designers in Alaska and gave examples such as kitchen, bathroom, or small home remodels that included interior design. He predicted that under the provisions of CSSB 54(FIN), approximately 40 to 75 individuals would seek registration. He reiterated that he does not expect the majority of individuals who provide interior design services to seek registration under the proposed legislation.

[5:39:31 PM](#)

DANA NUNN, Chair, Governor Advocacy Committee, American Society of Interior Designers (ASID), Alaska Chapter, replied that there are 54 active or inactive NCIDQ certificate-holders in Alaska, currently, who would be directly affected by CSSB 54(FIN). She commented that she was aware of an additional six individuals in the process of taking the NCIDQ exam. She anticipated that there were an additional 40 to 60 individual designers in Alaska that provide residential, kitchen, and bathroom design. She noted that there are many more who might qualify as interior designers, such as the person selling a countertop at a home improvement retailer like Home Depot or Spenard Builders Supply. She asserted that CSSB 54(FIN) would incentivize interior designers to come and reside in Alaska. She further compared the number of interior designers currently in Alaska to the number of landscape architects in Alaska prior to the registration of landscape architecture and predicted that the number of interior designers in Alaska would grow as a result of the proposed legislation in a manner similar to the number of landscape architects. She provided a personal anecdote, noting that a former assistant of hers left the state due to the lack of registration for interior designers.

[5:41:22 PM](#)

MATT BARUSCH, Director, Government Affairs, Council for Interior Design Qualification, gave invited testimony in support of CSSB 54(FIN). He gave prepared remarks [included in the committee file], which read as follows [original punctuation provided]:

On behalf of the Council for Interior Design Qualification (CIDQ), I write to you today in support of Senate Bill 54, which would protect the health, safety, and welfare of the public if passed.

CIDQ is the premiere certifying organization for interior design professionals. Our organization develops and administers the three-part NCIDQ Examination, the national interior design certification examination utilized by U.S. jurisdictions for interior design registration or licensure, which assesses the competency of candidates to protect the public through the practice of interior design. With a membership comprised of state regulatory boards from across the United States and Canada, our organization takes seriously the responsibility to protect the public's health, safety and welfare, a responsibility our certified interior designers share.

NCIDQ-Certified Interior Designers are required to undergo formal postsecondary education and thousands of hours of paid, supervised experience to sit for the examination, which tests interior designers' knowledge of core competencies required for professional practice in the industry. This combination of education, experience, and examination helps ensure minimal competency of our certificate holders in the distinct practice of interior design, most of which practice in commercial, codebased environments like office buildings, hotels, hospitals, schools, etc. Our certificate holders are trained, tested, and qualified to design safe, functional public spaces in their practice.

Reasonable regulation of interior designers utilizing the NCIDQ Exam provides a means of offering the state and the public assurance that interior designers are qualified to practice in a manner that protects the public in Alaskan public spaces. CIDQ is prepared and committed to working with the Alaska AELS board and

staff, as we do with all our member boards, to implement this bill, to protect health, safety, and welfare, and ensure that practicing Registered Interior Designers in Alaska are trained and competent. We thank the committee for considering this legislation and ask for a favorable report on this bill. Thank you, and I'm happy to be a resource to the committee to answer questions about the NCIDQ exam.

MR. BARUSCH further reported that interior design professionals are regulated in 29 states, in addition to Washington D.C. and Puerto Rico. He stated that CSSB 54(FIN) would adopt a framework consistent with the majority of states.

[5:42:18 PM](#)

JESSICA CEDERBERG, American Institute of Architects Alaska (AIA Alaska), gave invited testimony during the hearing on CSSB 54(FIN). She gave prepared remarks [included in the committee file], which read as follows [original punctuation provided]:

We would like to take this opportunity to update you on our current position related to SB54. AIA Alaska worked with Senator Claman and NCIDQ interior designers to address our primary concerns that were part of previously proposed interior design legislation. We appreciate SB54 Sponsor's willingness to compromise by offering a Title Act rather than the Practice Act bills that were proposed in previous sessions. Establishing a Title Act is the essential condition for AIA Alaska to remove opposition and remain neutral to interior design regulation. AIA Alaska does not support interior design registration through a Practice Act.

Senator Claman introduced SB 54 this session as a Title Act, with language to allow permitting privileges for interior designers through the use of a stamp (seal). AIA Alaska appreciates the clarity provided by Legislative Counsel, Conran Gunther in his January 15, 2025 memo that accompanied the draft bill. He stated, "A title act does not require a license to practice an occupation, rather it establishes an optional license that allows a person to use a protected title when practicing that occupation." He further stated, "[This bill draft] does not prohibit the practice of interior design by a person who does

not use the title 'registered interior designer.'" This is articulated in Sec. [15] of the bill.

We understand that changes to bills often occur during the legislative process, and we will participate in hearings and meetings to ensure that SB54 remains a Title Act bill. If any revisions occur to this bill that change the intent of the bill from being a Title Act with permitting privileges, AIA Alaska will reevaluate our position.

Again, thank you for ongoing attention to this matter and your service to our community.

MS. CEDERBERG corrected discussion in prior committee that purported that interior designers were required to register to practice due to federal contracting requirements. She said that there were alternatives to practice, such as the NCIDQ certification. She reported that there were currently 300 interior designers registered in Alaska, with only 21 holding NCIDQ certificates. She thanked the committee for their attention to the matter.

[5:45:58 PM](#)

REPRESENTATIVE SADDLER requested written testimony from the invited testifiers.

SENATOR CLAMAN replied that written testimony could be found in the bill file.

[5:47:29 PM](#)

KRIS CURTIS, Auditor, Division of Legislative Audit, Legislative Agencies and Offices, reported conclusions from the sunset review of the State Board of Registration for Architects, Engineers, and Land Surveyors. She noted there were no recommendations for improvements. She stated that an eight-year extension was recommended for the board. She reported that, as of January 2024, there were 6,028 registrants, which represented a 10 percent decrease from the 2016 audit. She additionally reported that the board had a surplus of \$1.2 million in January 2024. She stated that management concurred with the audit and agreed with the full eight year extension proposed under CSSB 54(FIN).

[5:48:34 PM](#)

MS. CURTIS, in response to a question from Representative Saddler, stated that, without extension, the board would be terminated on July 1, 2025, and it would go into a one-year winddown period.

MS. CURTIS, in response to a follow-up question from Representative Saddler, responded that the audit looked only at the board extension proposed under CSSB 54(FIN) using criteria determined by Alaska Statute and did not have any opinion or recommendations on the other provisions of the proposed legislation.

[5:49:23 PM](#)

CO-CHAIR FIELDS set an amendment deadline for SB 54.

[CSSB 54(FIN) was held over.]

[5:49:27 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at 5:49 p.m.