

**ALASKA STATE LEGISLATURE**  
**HOUSE STATE AFFAIRS STANDING COMMITTEE**

February 25, 2025

3:18 p.m.

**MEMBERS PRESENT**

Representative Ashley Carrick, Chair  
Representative Andi Story, Vice Chair  
Representative Rebecca Himschoot  
Representative Ky Holland  
Representative Kevin McCabe  
Representative Elexie Moore

**MEMBERS ABSENT**

Representative Sarah Vance

**COMMITTEE CALENDAR**

HOUSE BILL NO. 25

"An Act relating to disposable food service ware; and providing for an effective date."

- MOVED HB 25 OUT OF COMMITTEE

HOUSE BILL NO. 87

"An Act establishing the month of March as Women's History Month."

- HEARD & HELD

HOUSE BILL NO. 91

"An Act relating to the lawful operation of retail marijuana stores; relating to marijuana cultivation; relating to the registration of marijuana establishments; relating to marijuana taxes; relating to the duties of the Department of Revenue; and providing for an effective date."

- HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: HB 25

SHORT TITLE: DISPOSABLE FOOD SERVICE WARE

SPONSOR(S): REPRESENTATIVE(S) JOSEPHSON

01/22/25 (H) PREFILE RELEASED 1/10/25  
 01/22/25 (H) READ THE FIRST TIME - REFERRALS  
 01/22/25 (H) STA, L&C  
 02/18/25 (H) STA AT 3:15 PM GRUENBERG 120  
 02/18/25 (H) Heard & Held  
 02/18/25 (H) MINUTE(STA)  
 02/20/25 (H) STA AT 3:15 PM GRUENBERG 120  
 02/20/25 (H) Heard & Held  
 02/20/25 (H) MINUTE(STA)  
 02/25/25 (H) STA AT 3:15 PM GRUENBERG 120

BILL: HB 87

SHORT TITLE: WOMEN'S HISTORY MONTH  
 SPONSOR(s): REPRESENTATIVE(s) HALL

02/10/25 (H) READ THE FIRST TIME - REFERRALS  
 02/10/25 (H) STA  
 02/22/25 (H) STA AT 1:00 PM GRUENBERG 120  
 02/22/25 (H) <Bill Hearing Canceled>  
 02/25/25 (H) STA AT 3:15 PM GRUENBERG 120

BILL: HB 91

SHORT TITLE: MARIJUANA: TAX/RETAIL STORES/REGISTRATION  
 SPONSOR(s): REPRESENTATIVE(s) CARRICK

02/10/25 (H) READ THE FIRST TIME - REFERRALS  
 02/10/25 (H) STA, FIN  
 02/18/25 (H) STA AT 3:15 PM GRUENBERG 120  
 02/18/25 (H) Scheduled but Not Heard  
 02/22/25 (H) STA AT 1:00 PM GRUENBERG 120  
 02/22/25 (H) Heard & Held  
 02/22/25 (H) MINUTE(STA)  
 02/25/25 (H) STA AT 3:15 PM GRUENBERG 120

**WITNESS REGISTER**

REPRESENTATIVE CAROLYN HALL  
 Alaska State Legislature  
 Juneau, Alaska

**POSITION STATEMENT:** As prime sponsor, introduced HB 87.

DAVID REAMER, Historian  
 Anchorage, Alaska

**POSITION STATEMENT:** In support of HB 87, he offered a presentation about notable women in Alaska's history.

JESSE LAVOIE, CEO  
Alaska YWCA  
Anchorage, Alaska

**POSITION STATEMENT:** Gave invited testimony in support of HB 87.

Stuart Relay, Staff  
Representative Ashley Carrick  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** On behalf of the bill sponsor, Representative Carrick, responded to questions about HB 91 and read the sectional analysis.

BRANDON SPANOS, Deputy Director  
Tax Division  
Department of Revenue  
Juneau, Alaska

**POSITION STATEMENT:** Answered questions related to HB 91.

BAILEY STUART, Chair and Legislative Liaison  
Marijuana Control Board  
Alcohol & Marijuana Control Office  
Department of Commerce, Community & Economic Development  
Anchorage, Alaska

**POSITION STATEMENT:** Answered questions related to HB 91.

#### **ACTION NARRATIVE**

[3:18:46 PM](#)

**CHAIR ASHLEY CARRICK** called the House State Affairs Standing Committee meeting to order at 3:18 p.m. Representatives Story, Himschoot, Holland, McCabe, Moore, and Carrick were present at the call to order.

#### **HB 25-DISPOSABLE FOOD SERVICE WARE**

[3:20:10 PM](#)

CHAIR CARRICK announced that the first order of business would be HOUSE BILL NO. 25, "An Act relating to disposable food service ware; and providing for an effective date."

[3:20:17 PM](#)

The committee took an at-ease from 3:20 p.m. to 3:21 p.m.

[3:21:09 PM](#)

CHAIR CARRICK asked committee members whether there were any remaining questions or comments regarding HB 25.

REPRESENTATIVE STORY moved to report HB 25 out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, HB 25 was reported out of the House State Affairs Standing Committee.

[3:21:36 PM](#)

The committee took an at-ease from 3:21 p.m. to 3:23 p.m.

**HB 87-WOMEN'S HISTORY MONTH**

[3:23:54 PM](#)

CHAIR CARRICK announced that the next order of business would be HOUSE BILL NO. 87, "An Act establishing the month of March as Women's History Month."

[3:24:25 PM](#)

REPRESENTATIVE CAROLYN HALL, Alaska State Legislature, as prime sponsor, introduced HB 87. She said that HB 87 is the companion bill to another piece of legislation that is currently being carried through the Senate. She said that the United States has recognized March as Women's History Month since 1987 and said

that speaking to another legislator she was surprised to learn that Alaska didn't formally recognized March as Women's History Month. The proposed legislation would ensure that the month is recognized into perpetuity. She said that when it comes to recognizing the role women have played in the history of the territory, pre-territory, and state's founding, it gives her a lot of hope considering the foundations that were laid by women. She said the knowledge of history informs the choices of the future and HB 87 would take a step forward in recognizing, elevating, and aiding women for generations to come.

[3:26:37 PM](#)

The committee took a brief at-ease at 3:26 p.m.

[3:27:27 PM](#)

DAVID REAMER, Historian, in support of HB 87, offered a presentation about notable women in Alaska's History. He said that for the entirety of Alaska's history, women have played crucial roles. He said these women had a great deal of influence shaping Alaska not only into what it is now but what it will be. He said that the history of Alaska women has rarely matched their historical presence and relevance in meaningful ways.

MR. REAMER said that Women's History Month could be two things: a prompt or reminder of the very basic fact that women have shifted the world around them and made differences; and an opportunity to be curious to get more information pertaining to stories.

MR. REAMER told the story of Debbie Reed, one of the few women who worked on the pipeline. Ms. Reed braced a camp with 500 men and 8 women and worked in temperatures of negative 60 degrees Fahrenheit. He said that this is known but the specifics are not as well known, and specifics matter when telling stories.

[3:30:03 PM](#)

MR. REAMER, on the next slide, presented about Nora Guinn, a Bureau of Indian Affairs (BIA) teacher, a commissioner, a magistrate, and, in 1967, the first Alaska Native district judge. She was well known for translating court proceedings into Yupik'. He said that it's been 20 years since she died but she is still widely remembered in the Bethel Community, while not widely known outside of Bethel.

MR. REAMER then detailed the narrative of Ashley Dickerson, the first in just about everything she did and everywhere she went. She was a student, a homesteader, author, and lawyer. She was the first black lawyer in Alaska. Moreover, she was a fierce individual who stood up for her values and civil rights.

MR. REAMER said that the next slide displayed Dale DeArmond. She was a mother and artist best known for her wood block prints which can still be found today. She published several books and collaborated with other authors as well. Her 1973 book, Juneau: A Book of Wood Cuts illustrates the history of Juneau. He shared that this is one of his favorite books regarding Alaska.

MR. REAMER spoke about Anne Hobbs Purdy. She was a schoolteacher and the notable figure in the book Tisha: The Wonderful True Love Story of a Young Teacher in the Alaska

Wilderness. He said that she adopted 11 children and did her best to keep the town of Chicken, Alaska, alive. He said this story should be better known.

[3:32:18 PM](#)

MR. REAMER spoke about Martha "Mother" White, who was a member of the often forgotten 1890's Cook Inlet Gold Rush. She was an original settler in Anchorage who ran a hotel and café. She earned the nickname "mother" due to her immense generosity. He said that her daughter Martha "Babe" White was born in Tyonek and was likely the first settler child born in the Upper Cook Inlet and in 1915 drove the first ceremonial spike for the Alaska Railroad.

MR. REAMER proceeded to speak about Benzie "Rusty" Dow. She was a homesteader, truck driver, painter, and raised bear cubs. She was notable for being the first women to drive the Alcan Highway and through the Whittier Tunnel. He said that the truck she drove had no speedometer, no gas gauge, and every story he heard about her is a legend.

MR. REAMER next talked about Cecilia "Ceil" Braund, who was a bartender notably at Diamond Jims in Indian, Alaska. She was known for bringing the Gold Rush throwback style to Diamond Jims. He said that he was previously asked to learn more about Braund since he was told how friendly she was and how she changed some people's Alaska experience forever, and in a positive way.

MR. REAMER said that it is worth remembering that the women in Alaska's history made their impacts on all facets of life. He

said not everyone was a lawyer or legislator. Some were homesteaders, truck drivers, or even painters.

[3:35:07 PM](#)

MR. REAMER said that in 1937 Nell Scott was the first woman elected to the Alaska Legislature, at which time she remarked, "That was really what I was campaigning for, a woman to get into the legislature and break the ice." He said that someone needs to be the first before someone can be the second.

MR. REAMER remarked that in 1942 Mildred Mickey Romig ("Mickey") became the first woman elected to the Anchorage City Council and helped revive the Girl Scouts Troops in Alaska. He said that nobody knows about the tradition that Mickey established. He said that a Women's History Month could change this and remarked that knowing about something makes you care. He said that people want to know more about their community and can care about their community. He said Women's History Month could be a chance to learn more than what was known before. He concluded by demonstrating a black and white photo of women displaying some produce. He said he doesn't know when, where, or context of the photo, but people are hungry for these details and want to learn.

[3:38:08 PM](#)

CHAIR CARRICK transitioned to invited testimony on HB 87.

[3:38:29 PM](#)

JESSE LAVOIE, CEO, YWCA, gave invited testimony in support of HB 87. She complimented Mr. Reamer's presentation, and said the YWCA is ecstatic with the proposed bill. She said that the YWCA has a long history of supporting and recognizing female accomplishments in the state. She said that YWCA sponsors women achievement events, and this tradition has recognized over 350 women in the state from all facets of life. She said that given the presentation, there isn't much more to add but it makes sense to support HB 87. She said that the Federal Government already recognizes this, and HB 87 is important for paving the path for younger generations.

[3:41:04 PM](#)

The committee took a brief 3:41 p.m.

[3:41:34 PM](#)

REPRESENTATIVE HOLLAND said he enjoyed learning about the bill and the presentation by Mr. Reamer. He asked whether any other people or topics were currently celebrated in March and if there would be any overlap.

REPRESENTATIVE HALL responded that March was already designated as Sobriety Awareness Month, but specific days or weeks were also designated for Susan Butcher Day, Alaska History Week, Ashley Johnson-Barr day, Vietnam Veterans Day, and the Good Friday Alaska Earthquake Remembrance Day.

REPRESENTATIVE HOLLAND asked if there was a day that recognized Elizabeth Peratrovich.

REPRESENTATIVE HALL responded that Elizabeth Peratrovich day was celebrated on February 16.

[3:43:19 PM](#)

REPRESENTATIVE STORY proffered that it may be Traumatic Brain Injury Month as well, but she was not sure whether the bill proposal to formalize it had passed. She asked if making the bill stronger or having a public awareness component added was considered.

REPRESENTATIVE HALL responded that she had not considered this and given the fiscal situation, it likely would be better [to have a zero] fiscal note included. She said there are ways that educational components can be incorporated. She said that she has not put adequate thought into how this would look. She said that as a former journalist, she looked for things that were "newsworthy" and by establishing a women's history month it would make these discussions about female figures "newsier."

REPRESENTATIVE STORY said her thoughts go to places like the Association of Alaska School Boards or the Alaska Council of School Administrators and whether there would be a way to deliver educational material at no cost.

REPRESENTATIVE HALL responded that this is an excellent idea, and she would love to pursue all options when it comes to this. She said that trying to elevate this conversation is important.

[3:46:46 PM](#)

REPRESENTATIVE MCCABE complimented Representative Hall's proposed bill and the ability to put something like this forward without [cost to the state].

[3:47:04 PM](#)

CHAIR CARRICK thanked Representative Hall for bringing this bill forward and noted that the House State Affairs Standing Committee was comprised mostly of females. She said the presentation was a strong reminder that "everyone here stands on the shoulders of giants."

REPRESENTATIVE HALL said that she appreciated the comment and opportunity to present the bill. She said that she wanted these women memorialized and was grateful for the opportunity to do so.

[3:48:00 PM](#)

The committee took a brief at-ease at 3:48 p.m.

[3:48:31 PM](#)

CHAIR CARRICK opened public testimony on HB 87. After ascertaining there was no one who wished to testify, she closed public testimony. Chair Carrick announced that HB 87 was held over.

[3:49:10 PM](#)

The committee took an at-ease from 3:49 p.m. to 3:51 p.m.

HB 91-MARIJUANA: TAX/RETAIL STORES/REGISTRATION

[3:51:07 PM](#)

CHAIR CARRICK announced that the final order of business would be HOUSE BILL NO. 91, "An Act relating to the lawful operation of retail marijuana stores; relating to marijuana cultivation; relating to the registration of marijuana establishments; relating to marijuana taxes; relating to the duties of the Department of Revenue; and providing for an effective date."

[3:51:49 PM](#)

STUART RELAY, Staff, Representative Ashley Carrick, Alaska State Legislature, on behalf of Representative Carrick, prime sponsor of HB 91, began by answering two questions that were brought up during the previous committee hearing of the bill. He specified that he sent information pertaining to fund designations. Additionally, he said that there are no additional revenue sources for these funds; they are strictly tied into the current marijuana excise tax.

MR. RELAY offered the sectional analysis for HB 91 [copy included in committee file], which read as follows [original punctuation provided]:

**Section 1.** Allows for "upstream sales" of marijuana products to allow marijuana stores to sell unused products back to producers.

Specifically, it amends AS 17.38.070(a)(6) to allow for delivery, distribution, and sale of marijuana and marijuana products to a consumer, marijuana cultivation facility, or a marijuana product manufacturing facility.

**Section 2.** Adds a new section to AS 17.38 relating to marijuana plant tagging. Specially AS 17.38.075 requires a marijuana cultivation facility to assign a tracking number to each crop of marijuana plants when the height exceeds eight inches. It also prohibits the AMCO board from requiring individual plant tagging.

**Section 3.** Amends the timeline for required background checks from five to six years to accommodate biannual licenses as amended in Sections 4-9.

**Sections 4-9.** Changes length of marijuana licenses from one to two years.

**Section 10.** Conforming changes for Section 1. Specifically, it amends the definition of a retail marijuana store to allow them to sell products back to marijuana cultivation facilities, and marijuana product manufacturing facilities.

**Section 11.** Reduces the marijuana excise tax rate from \$50 per ounce to \$12.50 per ounce.

**Section 12.** Allows at least 50% of the annual balance of the marijuana education and treatment fund to be used for the youth services grant program within the

community-based marijuana misuse prevention component of the comprehensive marijuana use education and treatment program.

**Section 13.** Establishes a 6% sales tax on all marijuana and marijuana product sales.

**Section 14.** Changes the timeline that taxes are due to the Department of Revenue from monthly to quarterly.

**Section 15.** Specifies that retail marijuana stores are responsible for paying the sales tax to the Department of Revenue.

**Section 16.** Requires the Department of Revenue to establish at least one facility in each of the four judicial districts to collect marijuana sales tax payments.

**Section 17.** Repeals 43.61.010(b) which allowed certain parts of a marijuana plant to be exempt from the excise tax and allowed for differential excise tax rates for certain parts of the plant.

**Section 18.** Repeals the excise tax established in 43.61.010(a) on January 1, 2026.

**Section 19.** The excise tax reduction applies to taxes accrued on or after the effective date of section 11.

**Section 20.** Sections 13-16 take effect January 1, 2026

**Section 21.** Except for Section 20, this act takes effect on July 1, 2025.

[3:55:53 PM](#)

CHAIR CARRICK asked if committee members had any questions pertaining to HB 91.

[3:56:01 PM](#)

REPRESENTATIVE STORY asked why there were two different effective dates in Sections 20 and 21.

MR. RELAY responded that Section 20 addresses when the sales tax takes effect, and it would be six months after the cuts to the excise taxes begin.

REPRESENTATIVE STORY asked what the rationale for it was.

MR. RELAY responded that it would allow the Department of Revenue time to implement the new sales tax collection process and give the industry time to adapt.

[3:57:17 PM](#)

REPRESENTATIVE MOORE asked if there had been an analysis for how much this would cost the state.

MR. RELAY responded that the previous version of the bill concept had quite a bit of analysis and currently work was being done to get new data. He said that the fiscal notes suggest

some hits to tax revenue but projections from previous bill versions show an increase with time and transition.

CHAIR CARRICK noted that there are additional costs due to policy changes associated with the proposed bill.

REPRESENTATIVE MOORE asked if the additional offices would be a standalone building or in an already established facility.

CHAIR CARRICK responded that the Department of Revenue could speak more about this.

MR. RELAY added that this would be a decision for the Department of Revenue and the fiscal note goes into detail regarding the costs. He said there were some higher costs associated with changes.

CHAIR CARRICK forwarded the question to Mr. Spanos.

[3:59:39 PM](#)

BRANDON SPANOS, Deputy Director, Tax Division, Department of Revenue, answered questions related to HB 91. He said that looking at District 2, there were only a couple of retailers in that location, and they did not anticipate a staffed location and have considered a drop-off style of collection. He said that both Juneau and Fairbanks were candidates for a physically staffed location.

[4:01:02 PM](#)

REPRESENTATIVE STORY asked whether community groups impacted by the loss of funding were spoken to in order to get input for how they would recoup losses.

MR. RELAY responded not at this time and efforts were being made to work with the Department of Health to better understand impacted programs.

REPRESENTATIVE STORY opined that the hardest part of the proposed bill was how to continue the services with a loss of tax derived revenue. She said that she would like to learn more from those impacted by decreased funding.

[4:02:42 PM](#)

REPRESENTATIVE HIMSCHOOT said she was concerned about the programs that receive this funding. She asked how the six percent sales tax was chosen and whether the bill attempts to get funds back to recipients who have relied on excise tax funding.

MR. RELAY responded that this bill would not change any of the designations. He said that documents from the previous legislation, House Bill 119 [heard during the Thirty-Third Alaska State Legislature], were being analyzed regarding potential revenue impacts.

REPRESENTATIVE HIMSCHOOT commented that the impact on revenue is a primary concern for her.

[4:04:55 PM](#)

REPRESENTATIVE HOLLAND said that as he understands the bill, the underlying intent is an attempt to restructure an industry that has gone stagnant. He raised concerns about sales tax layering on top of other sales taxes. He was wondering why a sales tax was adopted as opposed to an excise tax reform.

CHAIR CARRICK said that this is a great segway for the Alcohol & Marijuana Control Office (AMCO).

[4:06:38 PM](#)

BAILEY STUART, Chair and Legislative Liaison, Marijuana Control Board, said that the Marijuana Control Board has held no discussions regarding HB 91 since it was introduced after the last board meeting. She cited a March 2024 letter of support from AMCO in support of a 3 percent tax rate. She said that there is support for immediate tax relief and said that marijuana legalization has been a bright spot for Alaska's agricultural industry and has generated thousands of jobs. She said despite its success; the legal cannabis industry is facing difficult "economic headwinds." She discussed issues currently facing the industry and said that the state has the highest tax rate in the country. She said Alaska's legal marijuana industry is at a breaking point from unregulated markets. She said that most businesses are small, locally owned, and face burdens. She said the consequences are visible and some businesses are surrendering their licenses and facing collapse. She said that if this continues, then the legal market will get overtaken by unregulated markets. She said that with certainty, if there is no tax reform, there will be no revenue left to collect.

MS. STUART commented about the batch tagging provision. She said that the Marijuana Control Board has carefully revised tagging requirements to ensure public health, safety, and enforcement are maintained. She said last year the department went from clone tagging to batch tagging and increased the tagging requirements for plants. She urged support to reduce marijuana taxes and have considerations for batch tagging.

MS. STUART said that she could not answer Representative Holland's question and said some communities already have taxes on marijuana. She said some sales taxes are as high as 15 percent and with an additional 6 percent, it would be taxed at 21 percent. She said it may push people away from legal products and generate safety concerns.

[4:10:40 PM](#)

REPRESENTATIVE HIMSCHOOT said that she found that 20 municipalities had a sales tax and offered her understanding that only Bethel had a 15 percent sales tax. She asked if other communities now had high sales taxes.

MS. STUART confirmed that only Bethel was taxed at 15 percent.

[4:11:14 PM](#)

REPRESENTATIVE HOLLAND asked whether there had been consideration to modify the excise tax to avoid layering sales taxes in the municipalities. He asked why sales tax would be beneficial.

MS. STUART responded that the industry is supportive of reducing the excise tax to \$12 an ounce but there would be a lot of complications with it.

REPRESENTATIVE HOLLAND said his next question was related to the growing impact of illegal marijuana sales. He was curious whether enforcement of the laws had been compromised by reductions in enforcement measures. He said he wanted to understand the economics of black-market competition.

MS. STUART responded that there was no enforcement of illegal marijuana on the market. She said she has been trying to unravel this problem. She said that marijuana for the most part doesn't kill people and public safety resources have prioritized drugs such as Fentanyl and other "insidious" controlled substances. She said that illegal markets are sheltered due to other priorities with the Department of Public Safety.

[4:14:49 PM](#)

REPRESENTATIVE MOORE asked if considerations were made to make a standalone bill for policy reform and a separate bill for tax reform.

CHAIR CARRICK said she wanted to consider policy that would support the industry in addition to preserving revenue for the state. Her intent was to stabilize and support the industry. She said that more discussions about this could take place.

CHAIR CARRICK, after ascertaining that there were no additional questions or comments, announced that HB 91 was held over.

4:16:56 PM

**ADJOURNMENT**

There being no further business before the committee, the House State Affairs Standing Committee meeting was adjourned at 4:17 p.m.