

ALASKA STATE LEGISLATURE
SENATE COMMUNITY AND REGIONAL AFFAIRS STANDING COMMITTEE

May 13, 2025

1:32 p.m.

MEMBERS PRESENT

Senator Kelly Merrick, Chair
Senator Forrest Dunbar, Vice Chair
Senator Elvi Gray-Jackson
Senator Donald Olson
Senator Robert Yundt

MEMBERS ABSENT

All members present

OTHER LEGISLATORS PRESENT

Senator Bert Stedman

COMMITTEE CALENDAR

SENATE BILL NO. 140

"An Act relating to a matching grant program for fire station construction and renovation; and providing for an effective date."

- MOVED SB 140 OUT OF COMMITTEE

HOUSE BILL NO. 79

"An Act naming the Vic Fischer Shoup Bay State Marine Park."

- MOVED HB 79 OUT OF COMMITTEE

HOUSE BILL NO. 50

"An Act relating to snow classics."

- MOVED HB 50 OUT OF COMMITTEE

SENATE BILL NO. 185

"An Act relating to the business of insurance; relating to exceptions to prohibited rebates; relating to the powers of the director of the division of insurance; relating to prohibited practices in the advertisement of insurance; and providing for an effective date."

- HEARD & HELD

HOUSE BILL NO. 58

"An Act relating to the office of public advocacy; and relating to the public advocate."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: SB 140

SHORT TITLE: FIRE STATION GRANT PROGRAM

SPONSOR(s): SENATOR(s) STEDMAN

03/24/25	(S)	READ THE FIRST TIME - REFERRALS
03/24/25	(S)	CRA, FIN
04/22/25	(S)	CRA AT 1:30 PM BELTZ 105 (TSBldg)
04/22/25	(S)	-- MEETING CANCELED --
05/06/25	(S)	CRA AT 1:30 PM BELTZ 105 (TSBldg)
05/06/25	(S)	Heard & Held
05/06/25	(S)	MINUTE(CRA)
05/13/25	(S)	CRA AT 1:30 PM BELTZ 105 (TSBldg)

BILL: HB 79

SHORT TITLE: NAMING VIC FISCHER SHOUP BAY MARINE PARK

SPONSOR(s): REPRESENTATIVE(s) FIELDS

01/31/25	(H)	READ THE FIRST TIME - REFERRALS
01/31/25	(H)	RES
02/07/25	(H)	RES AT 1:00 PM BARNES 124
02/07/25	(H)	-- MEETING CANCELED --
02/17/25	(H)	RES AT 1:00 PM BARNES 124
02/17/25	(H)	Heard & Held
02/17/25	(H)	MINUTE(RES)
03/14/25	(H)	RES AT 1:00 PM BARNES 124
03/14/25	(H)	Moved HB 79 Out of Committee
03/14/25	(H)	MINUTE(RES)
03/17/25	(H)	RES RPT 8DP
03/17/25	(H)	DP: FIELDS, COULOMBE, HALL, ELAM, RAUSCHER, MEARS, DIBERT, BURKE
04/14/25	(H)	TRANSMITTED TO (S)
04/14/25	(H)	VERSION: HB 79
04/15/25	(S)	READ THE FIRST TIME - REFERRALS
04/15/25	(S)	CRA, RES
05/06/25	(S)	CRA AT 1:30 PM BELTZ 105 (TSBldg)
05/06/25	(S)	Heard & Held

05/06/25 (S) MINUTE (CRA)
05/13/25 (S) CRA AT 1:30 PM BELTZ 105 (TSBldg)

BILL: HB 50

SHORT TITLE: SNOW CLASSICS

SPONSOR(s): REPRESENTATIVE(s) HANNAN

01/22/25 (H) READ THE FIRST TIME - REFERRALS
01/22/25 (H) CRA, L&C
03/11/25 (H) CRA AT 8:00 AM BARNES 124
03/11/25 (H) Heard & Held
03/11/25 (H) MINUTE (CRA)
03/13/25 (H) CRA AT 8:00 AM BARNES 124
03/13/25 (H) Heard & Held
03/13/25 (H) MINUTE (CRA)
03/18/25 (H) CRA AT 8:00 AM BARNES 124
03/18/25 (H) Moved HB 50 Out of Committee
03/18/25 (H) MINUTE (CRA)
03/21/25 (H) CRA RPT 6DP
03/21/25 (H) DP: PRAX, HOLLAND, RUFFRIDGE, HALL,
HIMSCHOOT, MEARS
03/26/25 (H) L&C AT 3:15 PM BARNES 124
03/26/25 (H) Heard & Held
03/26/25 (H) MINUTE (L&C)
03/31/25 (H) L&C AT 3:15 PM BARNES 124
03/31/25 (H) Moved HB 50 Out of Committee
03/31/25 (H) MINUTE (L&C)
04/02/25 (H) L&C RPT 6DP
04/02/25 (H) DP: BURKE, COULOMBE, CARRICK, NELSON,
HALL, FIELDS
04/02/25 (H) L&C AT 3:15 PM BARNES 124
04/02/25 (H) <Bill Hearing Canceled>
04/11/25 (H) TRANSMITTED TO (S)
04/11/25 (H) VERSION: HB 50
04/14/25 (S) READ THE FIRST TIME - REFERRALS
04/14/25 (S) CRA, L&C
04/22/25 (S) CRA AT 1:30 PM BELTZ 105 (TSBldg)
04/22/25 (S) -- MEETING CANCELED --
05/06/25 (S) CRA AT 1:30 PM BELTZ 105 (TSBldg)
05/06/25 (S) Heard & Held
05/06/25 (S) MINUTE (CRA)
05/13/25 (S) CRA AT 1:30 PM BELTZ 105 (TSBldg)

BILL: SB 185

SHORT TITLE: INSURANCE; REBATES; ADVERTISING

SPONSOR(s): LABOR & COMMERCE

04/25/25 (S) READ THE FIRST TIME - REFERRALS
04/25/25 (S) CRA, L&C
05/13/25 (S) CRA AT 1:30 PM BELTZ 105 (TSBldg)

BILL: HB 58

SHORT TITLE: OPA: PUBLIC ADVOCATE APPOINTMENT

SPONSOR(s): REPRESENTATIVE(s) FIELDS

01/22/25 (H) READ THE FIRST TIME - REFERRALS
01/22/25 (H) CRA, STA
03/11/25 (H) CRA AT 8:00 AM BARNES 124
03/11/25 (H) Heard & Held
03/11/25 (H) MINUTE(CRA)
03/13/25 (H) CRA AT 8:00 AM BARNES 124
03/13/25 (H) Heard & Held
03/13/25 (H) MINUTE(CRA)
03/18/25 (H) CRA AT 8:00 AM BARNES 124
03/18/25 (H) Moved HB 58 Out of Committee
03/18/25 (H) MINUTE(CRA)
03/21/25 (H) CRA RPT 4DP 1NR
03/21/25 (H) DP: HOLLAND, HALL, HIMSCHOOT, MEARS
03/21/25 (H) NR: PRAX
03/27/25 (H) STA AT 3:15 PM GRUENBERG 120
03/27/25 (H) Heard & Held
03/27/25 (H) MINUTE(STA)
03/29/25 (H) STA AT 1:00 PM GRUENBERG 120
03/29/25 (H) Heard & Held
03/29/25 (H) MINUTE(STA)
04/08/25 (H) STA AT 3:15 PM GRUENBERG 120
04/08/25 (H) Moved HB 58 Out of Committee
04/08/25 (H) MINUTE(STA)
04/09/25 (H) STA RPT 5DP 2NR
04/09/25 (H) DP: MOORE, HOLLAND, HIMSCHOOT, STORY,
CARRICK
04/09/25 (H) NR: VANCE, MCCABE
04/30/25 (H) TRANSMITTED TO (S)
04/30/25 (H) VERSION: HB 58
05/02/25 (S) READ THE FIRST TIME - REFERRALS
05/02/25 (S) CRA, JUD
05/13/25 (S) CRA AT 1:30 PM BELTZ 105 (TSBldg)

WITNESS REGISTER

MARGEUX LJUNGBERG, staff
Senator Bert Stedman
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Presented a brief overview of SB 140.

BENNETT PEARCE, Staff
Representative Zack Fields
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Presented a brief overview of HB 79.

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

POSITION STATEMENT: Presented a brief overview of HB 50.

SAVAYA BIEBER, Staff
Senator Jesse Bjorkman
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Introduced SB 185 and presented the sectional analysis, on behalf of the Senate and Labor Commerce Committee, Senator Bjorkman, Chair.

LORI WING-HEIER, Director
Division of Insurance
Department of Commerce, Community and Economic Development
Anchorage, Alaska

POSITION STATEMENT: Testified by invitation on SB 185.

COURTNEY OWEN, Staff
Representative Zack Fields
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Presented HB 58 on behalf of the sponsor.

SUSANNE DIPIETRO, Executive Director
Alaska Judicial Council
Anchorage, Alaska

POSITION STATEMENT: Testified by invitation on HB 58.

ACTION NARRATIVE

[1:32:23 PM](#)

CHAIR MERRICK called the Senate Community and Regional Affairs Standing Committee meeting to order at 1:32 p.m. Present at the call to order were Senators Gray-Jackson, Dunbar, Yundt and Chair Merrick. Senator Olson arrived thereafter.

SB 140-FIRE STATION GRANT PROGRAM

[1:33:01 PM](#)

CHAIR MERRICK announced the consideration of SENATE BILL NO. 140 "An Act relating to a matching grant program for fire station construction and renovation; and providing for an effective date."

[1:33:25 PM](#)

MARGEUX LJUNGBERG, staff, Senator Bert Stedman, Alaska State Legislature, Juneau, Alaska, said that SB 140 establishes a matching grant program within the Department of Commerce, Community and Economic Development (DCCED) that would provide funding for up to 50 percent of the total project costs for the construction or renovation of fire stations. SB 140 does not allocate funds for fire station construction or renovation; instead, the fire station grant fund would receive future legislative appropriations.

[1:34:16 PM](#)

CHAIR MERRICK solicited the will of the committee.

[1:34:21 PM](#)

SENATOR OLSON joined the meeting.

[1:34:27 PM](#)

SENATOR DUNBAR moved to report SB 140, work order 34-LS0489\N, from committee with individual recommendations and attached fiscal note(s) and authorize Legislative Legal Services to making conforming changes.

[1:34:41 PM](#)

CHAIR MERRICK found no objection and SB 140 was reported from the Senate Community and Regional Affairs Standing Committee.

[1:34:46 PM](#)

At ease.

HB 79-NAMING VIC FISCHER SHOUP BAY MARINE PARK

[1:36:27 PM](#)

CHAIR MERRICK reconvened the meeting and announced the consideration of HOUSE BILL NO. 79 "An Act naming the Vic Fischer Shoup Bay State Marine Park."

[1:36:54 PM](#)

BENNETT PEARCE, Staff, Representative Zack Fields, Alaska State Legislature, Juneau, Alaska, said that [HB 79] recognizes the contributions of Vic Fischer by renaming Shoup Bay State Marine Park. He stated that Vic Fischer was a foundational member of the statehood movement. He was also one of the drafters of the Constitution of the State of Alaska. In 1983, Mr. Fischer introduced the legislation that established state marine parks in Alaska. In addition, Mr. Fischer was instrumental in rebuilding Valdez after the 1964 earthquake. He stated that, considering Mr. Fischer's contributions to the state, honoring him in this way makes sense.

[1:37:47 PM](#)

CHAIR MERRICK solicited the will of the committee.

[1:37:48 PM](#)

SENATOR DUNBAR moved to report HB 79, work order 34-LS0495\A, from committee with individual recommendations and attached zero note(s) and authorize Legislative Legal Services to make conforming changes.

[1:38:05 PM](#)

CHAIR MERRICK found no objection and HB 79 was reported from the Senate Community and Regional Affairs Standing Committee.

[1:38:10 PM](#)

At ease.

HB 50-SNOW CLASSICS

[1:39:09 PM](#)

CHAIR MERRICK reconvened the meeting and announced the consideration of HOUSE BILL NO. 50 "An Act relating to snow classics."

[1:39:38 PM](#)

HUNTER MEACHUM, Staff, Representative Sara Hannan, Alaska State Legislature, Juneau, Alaska, said that HB 50 would broaden the definition of "snow classic" by removing statutory language that limits snow classics to a specific location (on Mt. Alyeska) and specific charitable organization. This would allow any qualifying charitable organization to host a snow classic.

[1:40:12 PM](#)

CHAIR MERRICK solicited the will of the committee.

[1:40:15 PM](#)

SENATOR DUNBAR moved to report HB 50, work order 34-LS0288\A, from committee with individual recommendations and attached fiscal note(s) and authorize Legislative Legal Services to make conforming changes.

[1:40:28 PM](#)

CHAIR MERRICK found no objection and HB 50 was reported from the Senate Community and Regional Affairs Standing Committee.

[1:40:33 PM](#)

At ease.

SB 185-INSURANCE; REBATES; ADVERTISING

[1:42:47 PM](#)

CHAIR MERRICK reconvened the meeting and announced the consideration of SENATE BILL NO. 185 "An Act relating to the business of insurance; relating to exceptions to prohibited rebates; relating to the powers of the director of the division of insurance; relating to prohibited practices in the advertisement of insurance; and providing for an effective date."

[1:43:08 PM](#)

SAVAYA BIEBER, Staff, Senator Jesse Bjorkman, Alaska State Legislature, Juneau, paraphrased the sponsor statement for SB 185:

[Original punctuation provided.]

**SB 185 Insurance; Rebates; Advertising
Sponsor Statement
Version N**

Senate Bill 185 updates Alaska's insurance statutes to provide clarity and flexibility around allowable business practices. This legislation aligns Alaska's statutes with national best practices and the NAIC Model Act.

SB 185 modernizes Alaska's anti-rebating laws by clearly defining exceptions for value-added services, wellness incentives, educational tools, and low-value promotional gifts. It ensures that insurers and producers can offer beneficial programs to the consumer, such as programs including health apps, risk reduction tools, or financial wellness services.

Under this bill, insurers may also run pilot programs, provide charitable donations, or host raffles, provided they follow strict fairness and transparency guidelines. Additionally, the legislation provides consumer protection by prohibiting deceptive marketing claims that suggest insurance is free or that one policy is being offered solely to induce the purchase of another.

SB 185 promotes innovation, supports consumer engagement, and levels the playing field for insurers operating in multiple states. This bill ensures Alaskans have access to modern insurance services while maintaining strong consumer protections.

I urge support of Senate Bill 185 to ensure Alaska remains aligned with national standards while serving the best interests of consumers and the industry alike.

[1:43:58 PM](#)

MS. BIEBER presented the sectional analysis of SB 185:

[Original punctuation provided.]

**Sectional Analysis
Version N**

Section 1: Amends AS 21.36.010, *Trade Practices and Frauds* chapter, to add the Gramm-Leach-Bliley Act to the list of federal laws the chapter is in accordance with.

Section 2: Amends AS 21.36.110 to add that the offer or provision by an insurer of a product or service at a reduced cost as an exemption to the definition of insurance discrimination if the service or product is related to the policy holder's insurance coverage and is designed to provide specific aid to the consumer as defined in statute.

Section 3: Amends AS 21.36.110 adding a list of provisions that the insurer must meet and defines what is allowable for insurers in terms of noncash gifts. This section adds a provision for an insurer who has a good faith belief that a product or service meets

certain criteria defined in (a)(6)(c), the insurer may provide this service or product as part of a pilot program. This section also allows the Director of the Division of Insurance to adopt regulations.

Section 4: Amends AS 21.36 by adding a new section, AS 21.36.115 defining prohibited advertising practices by insurers.

Section 5: Amends AS 21.36.120(a) making a technical change to conform with current industry and licensing terminology.

Section 6: Provides transitional regulation authority to the Director of the Division of Insurance.

Section 7: Provides an immediate effective date for Section 6.

Section 8: Provides an effective date of January 1, 2026, for the remainder of the bill.

[1:46:10 PM](#)

CHAIR MERRICK announced invited testimony on SB 185.

[1:46:31 PM](#)

LORI WING-HEIER, Director, Division of Insurance, Department of Commerce, Community and Economic Development, Anchorage, Alaska, gave a brief history of SB 185. She explained how the Healthy Alaskans program led to questions about public-private partnerships and whether insurance companies could provide the insured with tools to improve their health and quality of life. She explained that this would be considered a rebate, which is prohibited by law. SB 185 is based on a National Association of Insurance Commissioners (NAIC) model and would enable insurance companies (and their brokers) to provide the insured with certain gifts. She stated that all gifts must align with the premium and cannot be used as leverage for policy sales. She explained that allowable gifts would include devices to improve the insurance risk and/or improve the life and health of the consumer. She stated that the American Property Casualty Insurance Association (APCIA) requested SB 185.

[1:48:15 PM](#)

SENATOR DUNBAR directed attention to SB 185, page 5, line 2, and asked what would be considered "reasonable" for non-cash gifts.

MS. WING-HEIER said this would likely be addressed in regulation. She that a reasonable non-cash gift would need to be in line with the product (e.g. if the product is life insurance, the gift must relate to life insurance). She hesitated to apply a specific dollar amount or percentage, as this could disallow certain useful gifts (e.g. Fitbit). She suggested that regulations could specify parameters, perhaps limiting product type based on the policy and setting a cap for the total dollar amount (again, relative to the policy). She indicated that this would be a fair solution.

[1:49:47 PM](#)

SENATOR DUNBAR considered why these prohibitions were in the law and how certain industries work. He offered the pharmaceutical industry as an example to illustrate how gifts could potentially lead to problematic practices. He wondered if a similar power imbalance exists in the insurance industry and whether this was the reason for the existing prohibition. He asked whether Ms. Wing-Heier is concerned that insurance companies could use gifts to manipulate insurance policy negotiations in large organizations and offered examples to illustrate his question.

MS. WING-HEIER replied that, while the potential for such activities exists, it is unlikely. She said that any gift should go to all policy holders, not only to the person who is negotiating the policy. She expressed a willingness to clarify this in regulations.

[1:52:04 PM](#)

SENATOR DUNBAR asked whether this should be clarified in statute.

MS. WING-HEIER said the Division of Insurance would not object to this clarification.

SENATOR DUNBAR said he would like to discuss this further offline. He expressed concern about gift-giving in negotiations that should remain neutral.

MS. WING-HEIER expressed her understanding.

[1:53:03 PM](#)

CHAIR MERRICK held SB 185 in committee.

[1:53:04 PM](#)

At ease.

HB 58-OPA: PUBLIC ADVOCATE APPOINTMENT

[1:53:58 PM](#)

CHAIR MERRICK reconvened the meeting and announced the consideration of HOUSE BILL NO. 58 "An Act relating to the office of public advocacy; and relating to the public advocate."

[1:54:15 PM](#)

COURTNEY OWEN, Staff, Representative Zack Fields, Alaska State Legislature, Juneau, Alaska, paraphrased the sponsor statement for HB 58:

[Original punctuation provided.]

HB 58 Sponsor Statement

The Office of Public Advocacy (OPA) was created in 1984 by the Alaska Legislature to provide legal advocacy and guardianship services to vulnerable Alaskans. Before OPA, the court system acted as the public guardian for low-income clients and appointed private attorneys when the Public Defender Agency (PDA) had a conflict of interest. The PDA provides court-appointed legal representation as required by the Constitution. Both OPA and PDA are part of the Department of Administration.

Initially, OPA was responsible for public guardianship, guardian ad litem (GAL) services, legal representation for low-income individuals, and supporting private guardians and conservators in accessing necessary services. Over time, OPA's responsibilities have grown to include legal representation and GAL services in cases involving termination of parental rights, children testifying in criminal proceedings, juvenile delinquency proceedings, protective orders for minors, elder fraud, and other areas.

Today, OPA and PDA operate as separate law firms of comparable size, yet their leadership selection processes differ significantly. The Alaska Judicial Council nominates candidates for PDA Director (Public Defender), from which the Governor chooses. However, the Public Advocate (OPA Director) position lacks this initial vetting process by the Council, despite both positions requiring substantial legal experience.

Additionally, the Public Defender has a term limit of at least four years, while the Public Advocate serves at the pleasure of the Commissioner and can be terminated at any time.

House Bill 58 would make the selection of the Public Advocate analogous with that of the Public Defender. The bill aims to standardize the nomination process to ensure stability and continuity in this important agency.

[1:57:45 PM](#)

CHAIR MERRICK announced invited testimony on HB 58.

[1:58:00 PM](#)

SUSANNE DIPIETRO, Executive Director, Alaska Judicial Council (AJC), Anchorage, Alaska, described the process by which the Alaska Judicial Council (AJC) screens and nominates applicants for the Public Defender position. She shared her understanding that Section 5 of HB 58 would apply a similar screening process and similar criteria to the Public Advocate position. She described the Public Defender screening process as follows:

1. AJC announces the vacancy
 - Announcement is sent to all members of the Alaska Bar Association
2. 5-week application period
 - Extensive application form (27 pages)
 - Gathers information on the applicant's education, legal experience, trial practice experience, references, judges and attorneys who can provide feedback on their performance in cases, waivers provide access to the applicant's confidential personnel file
3. AJC sends a survey to members of the Alaska Bar Association
 - Survey asks for comment from those who have direct professional experience with the applicant
 - Comments are related to the applicant's qualifications in the following categories:
 - Legal ability
 - Judicial temperament
 - Experience
 - Integrity

- Overall suitability for the position.
- Survey results are tabulated and published for public viewing

[2:00:08 PM](#)

MS. DIPIETRO continued to describe the Public Defender screening process:

4. AJC staff performs an investigation, contacting all real employers for detailed feedback on candidate's performance. This includes a credit history.
5. Public comment hearing (public can submit additional comments at any time during the application process).
6. AJC interviews applicants (interviews last roughly 45 minutes per applicant)
7. AJC deliberates and nominates the most qualified applicants.
 - AJC must nominate two individuals (and may nominate more than two).
8. These nominees are forwarded to the governor.

MS. DIPIETRO reiterated her understanding that AJC would have a similar (if not identical) process for the Public Advocate position.

[2:01:58 PM](#)

CHAIR MERRICK opened public testimony on HB 58; finding none, she closed public testimony.

[2:02:17 PM](#)

CHAIR MERRICK held HB 58 in committee.

[2:02:38 PM](#)

There being no further business to come before the committee, Chair Merrick adjourned the Senate Community and Regional Affairs Standing Committee meeting at 2:02 p.m.