

SENATE FINANCE COMMITTEE

April 1, 2025

9:01 a.m.

[9:01:12 AM](#)

CALL TO ORDER

Co-Chair Hoffman called the Senate Finance Committee meeting to order at 9:01 a.m.

MEMBERS PRESENT

Senator Lyman Hoffman, Co-Chair
Senator Donny Olson, Co-Chair
Senator Bert Stedman, Co-Chair
Senator Mike Cronk
Senator James Kaufman
Senator Jesse Kiehl
Senator Kelly Merrick

MEMBERS ABSENT

None

ALSO PRESENT

Robert Schmidt, Director, Division of Banking and Securities, Department of Commerce, Community, and Economic Development; Senator Jesse Bjorkman, Sponsor; Senator Gary Stevens, Sponsor; Tim Lamkin, Staff, Senator Gary Stevens; Dr. Rob Crane, Board Chair, Preventing Tobacco Addiction Foundation.

PRESENT VIA TELECONFERENCE

Adam Atlas, Advisor, Money Services Business Association, Maryland; Adam Fleischer, Counsel, Money Services Roundtable, Washington DC; Jason Bunch, Former Chair, Big Game Commercial Services Board, Kodiak; Aaron Bloomquist, Chair, Big Game Commercial Services Board, Palmer; Sam Rohrer, Alaska Professional Hunters Association, Kodiak; Mike Bridges, Community Advocate, American Cancer Society and Retired Brigadier General, Anchorage; Trevor Storrs, President and Chief Executive Officer, Alaska Children's Trust, Anchorage; Rebecca Cole, Self, Wasilla; Valeria

Delgado, Self, Anchorage; Mark Sundquist, Owner, Hillside and Southside Chevron, Anchorage; Alex McDonald, Self, Fairbanks; Beverly Wooley, Self, Big Lake; Shaun D'Sylva, Owner, Fatboy Vapors, Seattle; Aaron Osterback, Self, Anchorage; Carrie Nyssen, Senior Director of Advocacy, American Lung Association, Vancouver, Washington; Annette Vrolyk, Self, Eagle River; Scott McCumby, Valdez Police Department, Valdez; Don Enslow, Volunteer, Providence Alaska Hospital, Anchorage; Tabitha Karpow, Self, Anchorage; Ken Griffin, Self, Wasilla.

SUMMARY

SB 24 TOBACCO/NICOTINE/E-CIG AGE; E-CIG TAX

SB 24 was HEARD and HELD in committee for further consideration.

SB 29 BIG GAME COMMERCIAL SERVICES BOARD

SB 29 was HEARD and HELD in committee for further consideration.

SB 86 MONEY TRANSMISSION; VIRTUAL CURRENCY

SB 86 was HEARD and HELD in committee for further consideration.

Co-Chair Hoffman discussed the agenda. He relayed that it was the

#sb86

SENATE BILL NO. 86

"An Act relating to the business of money transmission; relating to licenses for money transmission, licensure requirements, and registration through a nationwide multistate licensing system; relating to the use of virtual currency for money transmission; relating to authorized delegates of a licensee; relating to acquisition of control of a license; relating to record retention and reporting requirements; authorizing the Department of Commerce, Community, and Economic Development to cooperate with other states in the regulation of money transmission; relating to permissible investments; relating to violations and enforcement of money transmission laws;

relating to exemptions to money transmission licensure requirements; relating to payroll processing services; relating to currency exchange licenses; amending Rules 79 and 82, Alaska Rules of Civil Procedure; and providing for an effective date."

[9:02:22 AM](#)

Senator Jesse Kiehl, Sponsor, explained that SB 86 was a modernization of laws related to cryptocurrency. He mentioned other customer protections in the bill. He discussed a tiered fee structure that would be based on volume. He thought the bill was well crafted to avoid double-regulation. He clarified that nothing in the bill stifled innovation. There were no rules and no limits on risk Alaskans could take on Bitcoin. He mentioned that DCCED Director of Banking and Securities was present.

[9:10:43 AM](#)

Senator Kaufman asked if there was any situation in which the transfer of money was not included in the bill.

Senator Kiehl used the example of a payroll processor, which was not included in the bill.

[9:13:20 AM](#)

ROBERT SCHMIDT, DIRECTOR, DIVISION OF BANKING AND SECURITIES, DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT, explained that his division was responsible for regulating the issues outlined in the bill. He stated that the first mobile payment application was when PayPal released its beta version in 2008 for the Blackberry, and stated that most of what was money transmission currently was not present when the law was written. He expressed that the current statutory framework in the state, and affirmed that the bill would protect consumers as the sponsor suggested. He used the example of selling artwork.

[9:19:32 AM](#)

Mr. Schmidt addressed a fiscal note from DCCED Division of Banking and Securities, OMB Component 2808. He was pleased to report that the program that regulated money transmission did not pay for itself. He described the industry as one of "minnows and whales", and emphasized

that the net effect of the bill would be positive for the state.

[9:27:04 AM](#)

Mr. Schmidt summarized that the committee would hear from industry representatives.

Co-Chair Hoffman OPENED public testimony.

[9:28:49 AM](#)

ADAM ATLAS, ADVISOR, MONEY SERVICES BUSINESS ASSOCIATION, MARYLAND (via teleconference), testified in support of the bill.

[9:32:55 AM](#)

ADAM FLEISCHER, COUNSEL, MONEY SERVICES ROUNDTABLE, WASHINGTON DC (via teleconference), spoke in support of the legislation.

Co-Chair Hoffman CLOSED public testimony.

Senator Kiehl addressed the fiscal note.

SB 86 was HEARD and HELD in committee for further consideration.

#sb29

SENATE BILL NO. 29

"An Act relating to an executive administrator for the Big Game Commercial Services Board."

[9:39:21 AM](#)

SENATOR JESSE BJORKMAN, SPONSOR, introduced the legislation.

[9:42:30 AM](#)

JASON BUNCH, FORMER CHAIR, BIG GAME COMMERCIAL SERVICES BOARD, KODIAK (via teleconference), testified on some details of the bill.

[9:45:56 AM](#)

Senator Kaufman remarked on some efficiencies referenced by the testifier. He asked more detail about the cost drivers related to the bill.

Mr. Bunch explained that the costs would be investigative costs. He explained that from 2016 to 2022, the investigative costs were approximately 35 percent of revenue.

Senator Kaufman surmised that the cost would be greatly reduced by the efficiencies proposed in the bill.

Mr. Bunch responded that there was some cost recovery because of lack of administrative errors by the licensee.

[9:49:02 AM](#)

AARON BLOOMQUIST, CHAIR, BIG GAME COMMERCIAL SERVICES BOARD, PALMER (via teleconference), provided testimony on the legislation.

Co-Chair Hoffman OPENED public testimony.

[9:52:53 AM](#)

SAM ROHRER, ALASKA PROFESSIONAL HUNTERS ASSOCIATION, KODIAK (via teleconference), spoke in support of the bill.

Co-Chair Hoffman CLOSED public testimony.

Co-Chair Stedman reviewed the fiscal note.

Senator Bjorkman thanked the committee.

SB 29 was HEARD and HELD in committee for further consideration.

[9:55:45 AM](#)

AT EASE

[9:58:14 AM](#)

RECONVENED

#sb24

SENATE BILL NO. 24

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

[9:58:33 AM](#)

SENATOR GARY STEVENS, SPONSOR, introduced himself and the bill. He

[10:01:31 AM](#)

TIM LAMKIN, STAFF, SENATOR GARY STEVENS, explained the bill.

[10:05:04 AM](#)

MIKE BRIDGES, COMMUNITY ADVOCATE, AMERICAN CANCER SOCIETY AND RETIRED BRIGADIER GENERAL, ANCHORAGE (via teleconference), spoke in support and detailed the benefits of the bill.

[10:08:38 AM](#)

AT EASE

[10:09:09 AM](#)

RECONVENED

[10:09:17 AM](#)

DR. ROB CRANE, BOARD CHAIR, PREVENTING TOBACCO ADDICTION FOUNDATION, testified on the bill.

[10:16:27 AM](#)

Senator Kiehl wondered when Dr. Crane had left the Ohio State University College of Medicine.

Dr. Crane replied that it was three years prior.

[10:17:11 AM](#)

TREVOR STORRS, PRESIDENT AND CHIEF EXECUTIVE OFFICER, ALASKA CHILDREN'S TRUST, ANCHORAGE (via teleconference), spoke to the bill.

Co-Chair Hoffman OPENED public testimony.

[10:20:10 AM](#)

REBECCA COLE, SELF, WASILLA (via teleconference), spoke in support of the bill.

[10:21:39 AM](#)

VALERIA DELGADO, SELF, ANCHORAGE (via teleconference), testified in support of the legislation.

[10:23:36 AM](#)

MARK SUNDQUIST, OWNER, HILLSIDE AND SOUTHSIDE CHEVRON, ANCHORAGE (via teleconference), spoke against the bill.

[10:27:17 AM](#)

ALEX MCDONALD, SELF, FAIRBANKS (via teleconference), testified against the legislation.

[10:30:26 AM](#)

BEVERLY WOOLEY, SELF, BIG LAKE (via teleconference), spoke in support of the bill.

[10:32:47 AM](#)

SHAUN D'SYLVA, OWNER, FATBOY VAPORS, SEATTLE (via teleconference), testified against the bill.

[10:35:39 AM](#)

AARON OSTERBACK, SELF, ANCHORAGE (via teleconference), testified in support of the legislation.

[10:38:23 AM](#)

CARRIE NYSSSEN, SENIOR DIRECTOR OF ADVOCACY, AMERICAN LUNG ASSOCIATION, VANCOUVER, WASHINGTON (via teleconference), spoke in support of the bill.

[10:40:39 AM](#)

ANNETTE VROLYK, SELF, EAGLE RIVER (via teleconference), spoke in opposition to the bill.

[10:42:25 AM](#)

SCOTT MCCUMBY, VALDEZ POLICE DEPARTMENT, VALDEZ (via teleconference), testified in support of the legislation.

[10:44:20 AM](#)

DON ENSLOW, VOLUNTEER, PROVIDENCE ALASKA HOSPITAL, ANCHORAGE (via teleconference), spoke in support of the bill.

[10:46:01 AM](#)

TABITHA KARPOW, SELF, ANCHORAGE (via teleconference), testified in support of the bill.

[10:47:57 AM](#)

KEN GRIFFIN, SELF, WASILLA (via teleconference), spoke against the bill.

[10:50:10 AM](#)

Co-Chair Hoffman CLOSED public testimony.

[10:50:19 AM](#)

Co-Chair Stedman reviewed the fiscal notes.

[10:52:00 AM](#)

Senator Stevens thanked the committee. He acknowledged the issues that were facing the committee.

Co-Chair Hoffman set an amendment deadline for all the bills heard on Friday, April 11. He discussed the following day's agenda.

SB 24 was HEARD and HELD in committee for further consideration.

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ADJOURNMENT
10:53:55 AM

The meeting was adjourned at 10:53 a.m.