

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

February 7, 2025

1:32 p.m.

**MEMBERS PRESENT**

Senator Jesse Bjorkman, Chair  
Senator Kelly Merrick, Vice Chair  
Senator Elvi Gray-Jackson  
Senator Forrest Dunbar  
Senator Robert Yundt

**MEMBERS ABSENT**

All members present

**OTHER LEGISLATORS PRESENT**

Representative Jubilee Underwood

**COMMITTEE CALENDAR**

SENATE BILL NO. 80

"An Act extending the termination date of the Big Game Commercial Services Board; extending the termination date of the Board of Massage Therapists; extending the termination date of the Marijuana Control Board; and providing for an effective date."

- HEARD & HELD

SENATE BILL NO. 79

"An Act relating to wage payments."

- HEARD & HELD

SENATE BILL NO. 77

"An Act relating to national criminal history record checks for certain employees of the Department of Revenue; relating to allowable absences for eligibility for a permanent fund dividend; relating to the confidentiality of certain information provided on a permanent fund dividend application; relating to the duties of the Department of Revenue; and providing for an effective date."

- MOVED SB 77 OUT OF COMMITTEE

**PREVIOUS COMMITTEE ACTION**

BILL: SB 80

SHORT TITLE: EXTEND BOARDS

SPONSOR(s): LABOR & COMMERCE

01/31/25 (S) READ THE FIRST TIME - REFERRALS  
01/31/25 (S) L&C  
02/07/25 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)

BILL: SB 79

SHORT TITLE: PAYMENT OF WAGES; PAYROLL CARD ACCOUNT

SPONSOR(s): LABOR & COMMERCE

01/31/25 (S) READ THE FIRST TIME - REFERRALS  
01/31/25 (S) L&C  
02/07/25 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)

BILL: SB 77

SHORT TITLE: PERM FUND; EMPLOYMENT; ELIGIBILITY

SPONSOR(s): KIEHL

01/27/25 (S) READ THE FIRST TIME - REFERRALS  
01/27/25 (S) L&C, STA  
02/03/25 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)  
02/03/25 (S) Heard & Held  
02/03/25 (S) MINUTE(L&C)  
02/07/25 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)

**WITNESS REGISTER**

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

**POSITION STATEMENT:** Introduced SB 80 on behalf of the sponsor.

KRIS CURTIS, Legislative Auditor  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Presented the audit reports for SB 80.

ANNETTA ATWELL, Chair  
Board of Massage Therapy  
Fairbanks, Alaska

**POSITION STATEMENT:** Testified by invitation on SB 80.

AARON BLOOMQUIST, Chair  
Big Game Commercial Services Board  
Palmer, Alaska

**POSITION STATEMENT:** Testified by invitation on SB 80.

BAILEY STUART, Chair  
Marijuana Control Board  
Wasilla, Alaska

**POSITION STATEMENT:** Testified by invitation on SB 80.

SAM ROHRER, President  
Alaska Professional Hunters Association  
Anchorage, Alaska

**POSITION STATEMENT:** Testified by invitation on SB 80.

SYLVAN ROBB, Director  
Division of Corporations, Business and Professional Licensing  
Department of Commerce, Community, and Economic Development  
Anchorage, Alaska

**POSITION STATEMENT:** Testified by invitation on SB 80.

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

**POSITION STATEMENT:** Introduced SB 79 on behalf of the sponsor.

AMY MILLER, Senior Director  
Government Affairs  
Automatic Data Processing (ADP LLC)  
Washington D.C.

**POSITION STATEMENT:** Testified by invitation on SB 79.

SENATOR JESSE KIEHL, District B  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Presented a brief recap on SB 77.

#### **ACTION NARRATIVE**

[1:32:28 PM](#)

CHAIR BJORKMAN called the Senate Labor and Commerce Standing Committee meeting to order at 1:32 p.m. Present at the call to order were Senators Merrick, Gray-Jackson, Dunbar, Yundt and Chair Bjorkman.

**SB 80-EXTEND BOARDS**

[1:33:25 PM](#)

CHAIR BJORKMAN announced the consideration of SENATE BILL NO. 80 "An Act extending the termination date of the Big Game Commercial Services Board; extending the termination date of the Board of Massage Therapists; extending the termination date of the Marijuana Control Board; and providing for an effective date."

[1:33:45 PM](#)

SAVAYA BIEBER, Staff, Senator Jesse Bjorkman, Alaska State Legislature, Juneau, Alaska, introduced SB 80 on behalf of the sponsor as follows:

[Original punctuation provided.]

This bill extends the sunset date of three boards, the Marijuana Control Board, Board of Massage Therapy, and Big Game Commercial Services Board. SB 80 is cleanup for a bill from last year, it backdates these board extensions from the previous bill back to June of 2024, and extends them again, as amended in the bill.

The Marijuana Control Board is comprised of five members that control the cultivation, manufacture, and sale of marijuana in the state.

The Board of Massage Therapists is comprised of five members that examine applications and issue licenses, adopt and enforce regulations, and establish standards of professional competence.

The Big Game Commercial Services Board is comprised of nine members who prepare, and grade guiding examinations, issue guide licenses, adopt regulations, and assist DPS and DCCED in big game investigations. All three 2023 board audits concluded that the boards operated in the public's interest by actively amending regulations and enhancing public safety. This legislation was heard last year as three separate bills, and they each passed out of this body with no opposition.

On the line we have Kris Curtis, Legislative Auditor, she will be going over the audits for the boards, we

also have Bailey Stuart, Chair of the Marijuana Control Board, Annetta Atwell Chair of the Board of Massage Therapists, and Aaron Bloomquist, Chair of the Big Game Commercial Services Board to answer any questions for the boards. In person, we have Sam Rohrer, President of the Alaska Professional Hunters Association.

[1:35:59 PM](#)

KRIS CURTIS, Legislative Auditor, Alaska State Legislature, Juneau, Alaska, presented the audit reports for SB 80. She stated that she will start with the Marijuana Control Board audit. She said the audit found the board served the public interest and recommended a three-year extension due to potential changes from the Governor's Task Force report and Alcohol and Marijuana Control office (AMCO)'s new system rollout by December 2023. The shorter extension lets the Legislative Audit review changes and aligns the board's sunset with the Alcoholic Beverage Control Board. This would allow the legislative audit department to look at AMCO support to both boards at the same time. The legislative audit team made three recommendations beginning on page 20:

1. AMCO's director should establish procedure to ensure handler permit records are kept.
2. Board and AMCO director continue implementing the new license/enforcement system.
3. Legislature should consider requiring marijuana board regulations be approved by majority of board members.

MS. CURTIS stated that management's response to the recommendations was on page 39. The commissioner of DCCED agreed with all the recommendations but the third-the number of board members required for regulation changes. She stated that the commissioner requiring a minimum of 3 board members would not serve the public's interest moving forward the regulatory projects. She said on page 41 the board chair also opposed recommendation three for similar reasons.

[1:38:25 PM](#)

CHAIR BJORKMAN asked if there have been any changes in the audit reports since last year.

[1:38:36 PM](#)

MS. CURTIS answered that she wouldn't know because she hasn't looked at the reports since 2023. She opined that with the governor extending the advisory task force, there could have been changes.

1:39:03 PM

MS. CURTIS continued with her report of the audit for [Board of Massage Therapy]. She stated that the audit found the board served the public interest and recommended a six-year extension. On page 6, as of December 2022, there were 1,157 active licenses. The legislative audit team made four recommendations:

1. The director of DCBPL, develop procedures to ensure licenses aren't approved based on outdated documents.
2. The commissioner work with policy makers to improve recruitment and retention of investigators.
3. Improve recruitment and retention of licensing staff.
4. Found on page 14, board and DCBPL director consider raising licensing fees to cover regulatory costs.

MS CURTIS stated that licensing fees must be set up to cover the cost of regulations but their fees were not sufficient. She said the commissioner agreed with all findings and recommendations.

1:40:04 PM

MS. CURTIS continued with the next audit report for the Big Game and Commercial Services Board. She stated that the audit found the board served the public interest and recommended a six-year extension. On page 8, as of January 2023, there were 1,438 active licenses. The legislative audit team made two recommendations:

1. Director improve oversight procedures to ensure licenses approvals are not based on incomplete or inappropriate documentation.
2. The board consider the need for two long-vacant private landholder seats.

The commissioner agreed with the first recommendation. The chair also agreed with the first recommendation but highlighted that recent improvements over the last few years were not acknowledged. She said the chair disagreed with the second recommendation. Instead of changing the board's composition the

chair felt the Governor's office should do a better job of recruiting to fill the positions.

1:41:32

SENATOR GRAY-JACKSON commented that auditors are in place for a reason and that she always takes their recommendations seriously. She takes the recommendation to change the sunset provision seriously. She supports the audits even though they were brought before the legislature last year.

[CHAIR BJORKMAN announced invited testimony on SB 80.]

1:42:34 PM

ANNETTA ATWELL, Chair, Board of Massage Therapy, Fairbanks, Alaska, testified by invitation on SB 80. She stated that the Board of Massage Therapists review applications that raise concerns—such as issues flagged in background checks, applicants applying from schools that have not been approved by the State of Alaska, or incomplete renewal applications that have been audited. The board also reviews and decides on disciplinary action, for cases involving lapsed licenses or arrests, to determine whether restrictions or penalties need to be added to a license. She said the board ensures that the statutes and regulations stay current with national standards of care for the public. She said the board strives to align with best practices and update outdated or unclear guidelines. She said the board's role includes protecting the public by identifying suspicious or noncompliant activity and supporting licensees by responding to massage therapy business concerns and ensuring businesses understand and follow professional standards.

1:45:38 PM

AARON BLOOMQUIST, Chair, Big Game Commercial Services Board, Palmer, Alaska, testified by invitation on SB 80 regarding the Big Game Commercial Services Board. He said the board oversees licensing and regulations for big-game guides and transporters. He stated that as the new chair of the board he supports both audit recommendations. The board had planned for a bill to address board make-up and regulations that got stuck in statute years ago, but the board held off to focus on the sunset review, a new guide concession bill that passed last year, and securing an Environmental Analyst (EA) position. He said financially, the board has improved from a \$500 thousand deficit to nearly \$1 million surplus over the past decade. He reported that the board is very active, meetings are well attended, and the board members are consistently working on projects.

[1:48:13 PM](#)

BAILEY STUART, Chair, Marijuana Control Board, Wasilla, Alaska, testified by invitation on SB 80. She read the following:

[Original punctuation provided.]

I'm supportive of this extension to 2027, to be in line with the Alcohol Control Board. The extension of the marijuana control board is vital for the health of the industry and what is in the best interest of the public. Currently, we are facing significant challenges not only within our industry and the constant changes in law on a federal level but also on the issue of public health and safety within Alaska.

Alaska has a prolific black and gray market. We have effectively protected the black market from prosecution, and they are aware of this. And regarding the gray market which has surfaced due to the legalization of hemp in Alaska. Which had allowed for intoxicating hemp to enter Alaska's market. While a regulatory change on part of the division of agriculture as now disallowed any amount of THC in hemp products. These products still make their way into the Alaska market, with little to no enforcement. The past two days the MCB heard from public testimony to the severity of the issue and are actively working on addressing the issue. It's a complicated issue that is going to take time to address and the extension is vital.

MS. STUART recounted an instance regarding a majority of members present to vote during a board meeting. She provided details and stated it was not mentioned in the audit.

[1:51:36 PM](#)

SAM ROHRER, President, Alaska Professional Hunters Association, Anchorage, Alaska, testified by invitation on SB 80. He read the following:

[Original punctuation provided.]

The APHA strong supports Senate Bill 80, to extend the Big Game Commercial Services Board. This Board is critical to the long-term viability of the Guiding Industry in Alaska.

The APHA believes that it is in the best interests of the State, the public, and our profession to have well qualified hunting guides. The Big Game Commercial Services Board maintains the testing standards and provides for oral testing of all new guides in Alaska. This helps to ensure that only qualified applicants are receiving licenses. Alaska continues to have the most stringent hunting guide qualifications in all of North America, this is thanks to the Big Game Commercial Services Board.

If this board were to sunset, oral testing would not be possible, and licensing standards would suffer. I also might add, that the Guiding Profession in Alaska is one of the few Professional Licenses that does not require formal education, but instead is acquired through an apprenticeship process. This process makes our profession particularly attractive to rural Alaskan folks. This method of training guides through an apprenticeship process that leads to written testing and oral boards is only possible because of this Licensing Board.

Lastly, the Big Game Commercial Services Board provides the only interface between the Division of Occupational Licensing & the Guiding Profession, without the board, our profession has no meaningful input on the development of regulations that directly impacts hunting guides. However, this isn't just an issue for hunting guides. The public also has a vested interest in how the guides are regulated as well. Without the board, the public would have very little opportunity to influence the regulations that control the guide industry. Currently, the public can submit regulations to the board, they can participate in meaningful public testimony to the board, and they can participate in subcommittees at Board Meetings to help work through challenging issues and concerns. Without the board, the public's ability to be involved in the process is seriously limited.

[1:54:36 PM](#)

CHAIR BJORKMAN asked if Ms. Robb could provide an update on how the Board of Massage Therapy, Big Game Commercial Services Board and the Marijuana Control Board have performed over the past year and what their outlook is moving forward.

[1:54:52 PM](#)

SYLVAN ROBB, Director, Division of Corporations, Business and Professional Licensing (CBPL), Anchorage, Alaska, testified by invitation on SB 80. She stated that she will speak to the Big Game Commercial Services Board and the Board of Massage Therapy. The Marijuana Control Board doesn't belong to CBPL. She stated that CBPL addressed many of the legislative audit recommendations for the Board of Massage Therapy, related to staff recruitment and retention for both licensing staff and investigators. CBPL has worked to improve retention by reclassifying professional licensing staff, creating clearer career paths, and adding supervisor positions to reduce workloads. She said this structure allows for better oversight, more targeted training, and improved documentation. She stated that both programs are in a better place because of these changes.

[1:57:41 PM](#)

CHAIR BJORKMAN held SB 80 in committee.

[1:57:46 PM](#)

At ease.

**SB 79-PAYMENT OF WAGES; PAYROLL CARD ACCOUNT**

[1:58:38 PM](#)

CHAIR BJORKMAN reconvened the meeting and announced the consideration of SENATE BILL NO. 79 "An Act relating to wage payments."

[1:58:55 PM](#)

SAVAYA BIEBER, Staff, Senator Jesse Bjorkman, Alaska State Legislature, Juneau, Alaska, introduced SB 79 on behalf of the sponsor as follows:

[Original punctuation provided.]

SB 79 allows employers to credit wages to an employee on a payroll card account if an employee has authorized use of a payroll card, or if they have failed to authorize deposit of the wages to a specified account.

This legislation gives employers another option to pay their employees that could be less expensive than other forms of payment and avoids the difficulties of distributing paper checks. SB 79 also provides

employees without a bank account a solution to accept payment of their wages that avoids a check cashing fee.

[1:59:52 PM](#)

SENATOR GRAY-JACKSON asked if this is the original bill from the House or an amended bill.

[2:00:06 PM](#)

MS. BIEBER answered it's the original bill.

[2:00:24 PM](#)

MS. BIEBER presented the sectional analysis for SB 79 as follows:

[Original punctuation provided.]

### **SB 79 Payment of Wages; Payroll Card Account**

#### **Version A Sectional Analysis**

**Section 1:** Amends AS 23.10.040(a) to add AS 23.10.044 allowing an employer to pay via payroll card account.

**Section 2:** AS 23.10 is amended by adding section AS 23.10.044

- (a) Allows an employer to pay wages to a payroll card account if an employee has voluntarily authorized or if an employee has not authorized deposit of their wages to a bank account.
- (b) States an employer paying wages to a payroll card account shall notify the employee of the terms and conditions of payroll cards.
- (c) A payroll card account must provide an employee with at least one cost-free withdrawal each pay period, up to the amount of the employee's net wages, and a cost-free mechanism to check the account balance through a phone system and an additional unlimited cost-free electric mechanism to check account balances.
- (d) An employer may not offer a payroll card account that charges fees for employee application or participation in the account, or issuance of an employee's card and one replacement each calendar year, or transfer of employee wages to the account, or point-of sale purchase transactions.

- (e) An employer may not offer a payroll card account unless the wages are insured on a passthrough basis by an entity that insures bank deposits.
- (f) This section protects employees' right to bargain collectively through representatives of their choice to establish mechanisms for payments of wages.
- (g) Defines "payroll card" and "payroll card account" in statute.

[2:02:33 PM](#)

AMY MILLER, Senior Director, Government Affairs, Automatic Data Processing (ADP LLC), Washington D.C., testified by invitation on SB 79.

[Original punctuation provided.]

Good afternoon Chairman and members of the Labor and Commerce Committee. Thank you for offering me an opportunity to speak briefly in support of SB 79. My name is Amy Miller and I am a Senior Director of Government Relations at ADP. ADP is the nation's largest provider of human capital management solutions supporting, among other things, HR, payroll, and benefits administration and we pay 1 in every 6 US employees. ADP is uniquely positioned to understand the importance of supporting and transitioning from paper to electronic forms of pay.

SB 79, which ADP strongly supports, would eliminate the requirement that Alaska employers offer paper paychecks as a form of wage payment. Under the bill, employers would have the right to offer employees payment options by direct deposit or payroll cards. We think this will benefit employers from a payroll management and expense perspective while also providing significant benefits to employees. To be clear, nothing in the bill prevents employees from continuing to receive pay by direct deposit and employers could offer paper checks if they so choose. Further, the bill protects the right to collective bargaining arrangements and does not impact regulations for payment of wages to state employees.

There are much better alternatives to paper paychecks. Advances in technology have improved how employees can be paid more timely, consistently and securely.

Electronic pay protects employers. Under certain circumstances, it can be effectively impossible for employers to comply with wage payment laws governing the timely payment of wages if they must offer paper checks. Too often, employees who receive paper checks can't get paid on payday if there are events preventing the timely issuance of paper pay - such as the all-too-common weather events in Alaska. Electronic payments eliminate this concern.

This bill would make payment of wages better for employees. Paper checks can interfere with workers' financial security decisions because they do not allow for easy and timely access to wages. Employees often take extra steps to travel to the workplace to receive paper checks, travel to a bank to deposit the checks and wait for the checks to clear - even with new capabilities for depositing checks via mobile phone app, there is still several business days' delay for checks to clear. If mail is slow, employees may not receive their pay on schedule. Some employees use costly check-cashing stores and then carry their entire paycheck in cash, which is subject to loss or theft. Further, even employees who don't qualify for a bank account can receive a payroll card from their employer.

[2:05:31 PM](#)

MS MILLER continued with her testimony.

Payroll cards also offer employees better consumer protections and convenience. Employees can use payroll cards anywhere they would use a check including free online bill payments and online shopping. In addition, payroll cards can be used for travel arrangements that require electronic payments (such as flights, hotels, rental cars, etc.). But unlike paper checks, payroll cards provide protections from fraud or unauthorized use and also provide free associated savings features and financial wellness tools. Finally, workers cannot overdraw their payroll card accounts, so there are no insufficient fund or NSF fees

Passing SB 79 will enable Alaska to align with the fact that most payments are already electronic. Virtually all government payments are electronic (for

example: tax refunds, social security payments, etc.). According to the National Automated Clearing House Association 93% of American workers are already paid via direct deposit.

In addition, most states already allow for electronic pay as the only option for employees. This has been an effective means of pay in the more than 30 states that permit electronic wage payments (direct deposit or payroll card). From our experience employees quickly adapt and are often thankful for the change.

[2:07:26 PM](#)

SENATOR BJORKMAN held SB 79 in committee.

[2:07:32 PM](#)

At ease.

**SB 77-PERM FUND; EMPLOYMENT; ELIGIBILITY**

[2:08:14 PM](#)

CHAIR BJORKMAN reconvened the meeting and announced the consideration of SENATE BILL NO. 77 "An Act relating to national criminal history record checks for certain employees of the Department of Revenue; relating to allowable absences for eligibility for a permanent fund dividend; relating to the confidentiality of certain information provided on a permanent fund dividend application; relating to the duties of the Department of Revenue; and providing for an effective date."

[2:08:49 PM](#)

SENATOR JESSE KIEHL, District B, Alaska State Legislature, Juneau, Alaska, as sponsor presented a brief recap of SB 77. He stated that this is a cleanup bill for the Permanent Fund Dividend Division, not a formula bill. SB 77 fixes issues with allowable absences—like merchant mariner training, school breaks for college students, and out-of-state medical care. It also includes three efficiency and security changes:

- fingerprinting applicants and employees,
- ending distribution of PFD applicant lists, and
- allowing the division to send electronic levy notifications to Alaskans who opt in to receive them.

[2:10:16 PM](#)

CHAIR BJORKMAN opened public testimony on SB 77; finding none, he closed public testimony.

[2:10:45 PM](#)

CHAIR BJORKMAN solicited the will of the committee.

[2:10:49 PM](#)

SENATOR MERRICK moved to report SB 77, work order 34-LS0394\N, from committee with individual recommendations and attached fiscal note(s).

[2:11:07 PM](#)

CHAIR BJORKMAN found no objection and SB 77 was reported from the Senate Labor and Commerce Standing Committee.

[2:11:44 PM](#)

There being no further business to come before the committee, Chair Bjorkman adjourned the Senate Labor and Commerce Standing Committee meeting at 2:11 p.m.