

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

April 14, 2025

1:33 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

**COMMITTEE CALENDAR**

SENATE BILL NO. 136

"An Act relating to the privacy of firearm transactions; relating to discrimination against firearm retailers by financial institutions and payment networks; relating to the disclosure of financial records by financial institutions and payment networks; and amending Rules 65 and 82, Alaska Rules of Civil Procedure."

- HEARD & HELD

SENATE BILL NO. 83

"An Act relating to health care insurance; relating to insurance reimbursement for health care services provided through telehealth; and providing for an effective date."

- MOVED CSSB 83 (HSS) OUT OF COMMITTEE

SENATE BILL NO. 156

"An Act relating to the Department of Commerce, Community, and Economic Development; relating to the Alaska Commercial Fishing and Agriculture Bank; relating to certain loans made by the Alaska Commercial Fishing and Agriculture Bank; and providing for an effective date."

- HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: SB 136

SHORT TITLE: FIREARM FINANCIAL PRIVACY

SPONSOR(s): SENATOR(s) CRONK

03/19/25 (S) READ THE FIRST TIME - REFERRALS  
03/19/25 (S) L&C, JUD  
04/14/25 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)

BILL: SB 83

SHORT TITLE: TELEHEALTH REIMBURSEMENT RATES

SPONSOR(s): SENATOR(s) CLAMAN

01/31/25 (S) READ THE FIRST TIME - REFERRALS  
01/31/25 (S) HSS, FIN  
02/11/25 (S) HSS AT 3:30 PM BUTROVICH 205  
02/11/25 (S) Heard & Held  
02/11/25 (S) MINUTE(HSS)  
02/25/25 (S) HSS AT 3:30 PM BUTROVICH 205  
02/25/25 (S) Heard & Held  
02/25/25 (S) MINUTE(HSS)  
03/13/25 (S) HSS AT 3:30 PM BUTROVICH 205  
03/13/25 (S) Moved CSSB 83(HSS) Out of Committee  
03/13/25 (S) MINUTE(HSS)  
03/14/25 (S) HSS RPT CS 2DP 1DNP 1AM NEW TITLE  
03/14/25 (S) DP: DUNBAR, CLAMAN  
03/14/25 (S) DNP: HUGHES  
03/14/25 (S) AM: GIESSEL  
03/26/25 (S) FIN REFERRAL WAIVED  
03/26/25 (S) L&C REFERRAL ADDED AFTER HSS  
04/07/25 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)  
04/07/25 (S) Heard & Held  
04/07/25 (S) MINUTE(L&C)  
04/14/25 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)

BILL: SB 156

SHORT TITLE: AK COMMERCIAL FISHING & AG BANK; LOANS

SPONSOR(s): RULES BY REQUEST OF TASK FORCE EVAL ALASKA SEAFOOD  
INDUSTRY

04/02/25 (S) READ THE FIRST TIME - REFERRALS  
04/02/25 (S) L&C, FIN  
04/14/25 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)

**WITNESS REGISTER**

SENATOR MIKE CRONK, District R

Alaska State Legislature  
Juneau, Alaska  
**POSITION STATEMENT:** Sponsor of SB 136.

PAUL MENKE, Staff  
Senator Mike Cronk  
Alaska State Legislature  
Juneau, Alaska  
**POSITION STATEMENT:** Provided the sectional analysis for SB 136.

AOIBHEANN CLINE, Regional Director  
State and Local Legislative Affairs  
National Rifle Association (NRA)  
Anchorage, Alaska  
**POSITION STATEMENT:** Testified by invitation on SB 136.

SENATOR MATT CLAMAN, District H  
Alaska State Legislature  
Juneau, Alaska  
**POSITION STATEMENT:** Sponsor of SB 83.

EMILY NENON, Director  
Alaska Government Relations  
American Cancer Society  
Cancer Action Network  
Anchorage, Alaska  
**POSITION STATEMENT:** Testified in support of SB 83.

SENATOR JESSE KIEHL, District B  
Alaska State Legislature  
Juneau, Alaska  
**POSITION STATEMENT:** Sponsor of SB 156.

DOUG BLUMER, Chairman  
Alaska Commercial Fishing and Agriculture Bank (CFAB)  
Anchorage, Alaska  
**POSITION STATEMENT:** Testified by invitation on SB 156.

#### **ACTION NARRATIVE**

[1:33:32 PM](#)

CHAIR BJORKMAN called the Senate Labor and Commerce Standing Committee meeting to order at 1:33 p.m. Present at the call to order were Senators Merrick, Gray-Jackson, Dunbar, Yundt and Chair Bjorkman.

#### **SB 136-FIREARM FINANCIAL PRIVACY**

[1:34:30 PM](#)

CHAIR BJORKMAN announced the consideration of SENATE BILL NO. 136 "An Act relating to the privacy of firearm transactions; relating to discrimination against firearm retailers by financial institutions and payment networks; relating to the disclosure of financial records by financial institutions and payment networks; and amending Rules 65 and 82, Alaska Rules of Civil Procedure."

[1:34:49 PM](#)

SENATOR MIKE CRONK, District R, Alaska State Legislature, Juneau, Alaska, sponsor of SB 136, presented a summary. He stated that over the past decade, some financial institutions and states in the Lower 48 have used codes to track firearm related transactions. He explained that sometimes this practice has restricted or denied lawful purchases, which is seen as discriminatory and a violation of Second Amendment rights. In response, SB 136 aims to protect Alaskans' privacy and Second Amendment rights by prohibiting financial institutions and payment networks from discriminating against law-abiding citizens and retailers engaged in legal firearm commerce.

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PAUL MENKE, Staff, Senator Mike Cronk, Alaska State Legislature, Juneau, Alaska, provided the sectional analysis for SB 136:

#### **Sectional Analysis for SB 136**

**"An Act relating to the privacy of firearm transactions; relating to discrimination against firearm retailers by financial institutions and payment networks; relating to the disclosure of financial records by financial institutions and payment networks; and amending Rules 65 and 82, Alaska Rules of Civil Procedure."**

#### **Section 1:**

Amends AS 06.90 to add a new section, AS 06.90.20 that would prevent financial institutions and payment networks from discriminating against firearm retailers or customers by:

-Declining lawful card transactions based on a merchant's status as a firearm retailer,

- Limiting or declining to do business with a customer, potential customer, or merchant for lawful firearm transactions,
- Charging higher transaction or interchange fees for lawful firearm transactions,
- Taking an action against customers or merchants with the intention to impede engagement in lawful transactions involving a firearm, firearm accessory or component, or ammunition.

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MR. MENKE continued with the sectional analysis of SB 136:

Establishes statutory provisions that:

- Prevent the disclosure of financial records collected in violation of AS 06.90.20,
- Give the attorney general the ability to investigate alleged violations of AS 44.99.515, created in Section 2 of this bill and, upon finding a violation, obligate the attorney general to provide written notice to the violator,
- State that the attorney general may file an action to enjoin continued violators of AS 44.99.515 after 30 days,
- Establish a maximum fine of \$10,000 for knowingly violating AS 44.99.515, and legally obligates the court to award the attorney general or petitioner full reasonable attorney fees and any other remedy the court deems appropriate, if their action prevails.

Provides definitions in AS 06.90.020 for "ammunition," "department," "disclose," "financial institution," "financial record," "firearm code," "firearm retailer," "knowingly," "payment card," and "payment network."

### **Section 2:**

Amends AS 44.99 by adding a new section, AS 44.99.515, to prohibit a person, the state, or a political subdivision of the state from knowingly keeping or causing to be kept a list, record, or registry of privately owned firearms or owners of privately owned firearms.

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MR. MENKE continued with the sectional analysis of SB 136:

**Section 3:**

Amends the uncodified law of the State of Alaska by adding two Indirect Court Rule Amendments that change Rule 65 and Rule 82 of the Alaska Rules of Civil Procedure.

**Section 4:**

Establishes a conditional effect for AS 06.90.020(g) and AS 06.90.020(i), enacted in Section 1, requiring a two-thirds vote of each body for sections 3(a) and 3(b).

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SENATOR GRAY-JACKSON asked whether eliminating gun registration is wise, suggesting that both responsible owners, court systems and law enforcement benefit from maintaining a registry to support gun safety.

[1:40:06 PM](#)

SENATOR CRONK replied that Alaska and the U.S. does not have a gun registry. He said he personally opposes a gun registry and emphasized supporting the freedom to own firearms.

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MR. MENKE replied that currently, Federal Firearms License (FFL) holders must keep records of all firearm sales for the duration of their business. These records can be accessed via the National Instant Criminal Background Check System (NICS) for criminal investigations, except federal law prohibits using them to create a nationwide gun registry.

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SENATOR GRAY-JACKSON stated she supports the right to bear arms and also stated her belief in responsible gun ownership and gun safety in Alaska.

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SENATOR DUNBAR asked Mr. Menke to specify which other states had enacted similar bills, whether the laws faced constitutional challenges, and when was one last upheld.

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MR. MENKE replied that seven states—Florida, Idaho, Mississippi, Montana, North Dakota, Tennessee, Texas, and West Virginia have passed legislation like SB 136, while California and New York have passed laws requiring firearm codes. The constitutional question, including potential preemption, remains unresolved and may ultimately be decided by a federal court or the Supreme Court. He said similar disclosure regulations already exist in Alaska, such as the Personal Information Protection Act, AS 45.48, and healthcare data laws, AS 18.23. Though these are not identical issues, these laws do regulate the disclosure of financial records.

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SENATOR DUNBAR referenced a 2023 case that emphasized constitutional rights are generally protected against government infringement, not private action. He asked whether private financial institutions restricting firearm transactions could still implicate Second Amendment rights. He drew comparisons to whether a private company could deny services tied to other constitutional rights, such as religion or marriage.

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MR. MENKE replied that under the Dormant Commerce Clause, Alaska would need to meet strict scrutiny by showing a compelling government interest narrowly tailored to the law. He posed the question of whether protecting constitutional rights— such as the Second Amendment, privacy, or religious freedom— qualifies as such an interest.

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SENATOR DUNBAR agreed that private companies should not be able to deny services that infringe on fundamental rights, comparing it to civil rights cases. However, he noted the Supreme Court ruled in 2023 that companies do have the right to discriminate in such situations. He stated that in cases involving religion and LGBT marriage, the Supreme Court has allowed private companies to discriminate. He compared this to firearm transactions, where private companies might restrict Second Amendment rights, prompting government intervention to prohibit such actions. He highlighted that in 2023 the Supreme Court created an exemption of that law. He asked if recent cases show limits on restricting private companies' actions and whether the government has constitutional authority to prohibit such conduct.

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MR. MENKE replied that the constitutionality of the issue remains to be determined, with states passing laws on both sides, leaving the final decision to the courts.

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SENATOR CRONK replied that financial institutions differ from ordinary businesses, because they handle credit cards and share sensitive information, making this situation distinct.

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SENATOR DUNBAR acknowledged the argument that financial institutions are distinct and noted individuals still choose banks and credit cards. He asked whether financial institutions retain freedom of contract to decide how and with whom they conduct business.

[1:48:06 PM](#)

MR. MENKE replied that financial institutions do have the right to contract and choose business partners, though a court could allow the state to override that if it demonstrates a compelling interest.

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SENATOR DUNBAR agreed with the distinction noted by Senator Cronk, yet he pointed out that the Supreme Court has ruled differently in other constitutional contexts. He noted it would be interesting to see how a court reconciles allowing discrimination in some cases and not others.

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SENATOR YUNDT noted a distinction between small businesses, which use their own funds, and other businesses like lending institutions, which use federally insured, taxpayer-backed money. He pointed out that while firearm purchases from FFL dealers require paperwork and background checks, private sales between individuals do not require paperwork.

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CHAIR BJORKMAN announced invited testimony on SB 136.

[1:50:37 PM](#)

AOIBHEANN CLINE, Regional Director, State and Local Legislative Affairs, National Rifle Association (NRA), Anchorage, Alaska, testified by invitation on SB 136 and stated that this bill would ban private financial institutions in Alaska from using firearm and ammunition specific Merchant Category Codes (MCCs), which could enable financial surveillance and the creation of

private gun registries. SB 136 provides Alaskans with legal recourse to protect their rights under both the state and U.S. constitutions, since federal law already prohibits national firearm registries yet doesn't give individuals remedies against private institutions. She stated in 2022, the International Organization for Standardization (ISO) created a firearm-specific MCC at the request of Amalgamated Bank, despite initial opposition from major processors like Visa. MCCs categorize transactions that others could use to monitor firearm purchases. Critics argue this initiative is driven by anti-gun groups and could significantly impact gun owners.

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MS. CLINE stated that using firearm retailer financial data through MCCs effectively amounts to surveillance and registration of law-abiding gun owners, potentially sharing this information with government authorities or private gun control organizations. She said Federal law prohibits national firearm registries, and this approach could circumvent those restrictions while creating risks of political abuse and First Amendment infringements. She raised concerns about how banks would determine "dangerous" gun stockpiles, who decides thresholds, and who receives the data. She said collecting such sensitive information increases the risk of theft or leaks, citing global and U.S. examples like New Zealand (2019) and California (concealed carry data exposure). SB 136 aims to protect firearm privacy, prevent misuse of data, and discourage proliferation into black markets or unregulated private transfers.

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SENATOR DUNBAR stated that initially he thought SB 136 addressed cases in the Lower 48 where financial institutions denied individuals the ability to purchase firearms with credit. He asked whether she has specific examples to support this claim.

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MS. CLINE replied that such instances exist, citing a firearms retailer in Idaho who was "debanked" by two smaller financial institutions after MCC codes were required. She offered to provide specific details and connect the committee with the retailer.

[1:59:00 PM](#)

SENATOR DUNBAR asked for retailer information to be sent to the committee to verify if these incidents occurred. He noted that SB 136 seems more focused on preventing registry than addressing

actual discrimination in firearm purchases. He asked whether the primary government interest relates to federal registry concerns rather than purchase restrictions.

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MS. CLINE replied that she will provide the committee with legal analysis from the NRA on SB 136, focusing on the MCC issue and its secondary constitutional effects. She emphasized that protecting the right to keep and bear arms is paramount, and any legislation should be narrowly tailored to prevent infringement, noting the particular importance of the Second Amendment to the safety and lifestyle of Alaskans.

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SENATOR CRONK gave an example of being a survivor of the 2017 Las Vegas mass shooting and concluded that the core issue is not guns it is people. He emphasized that in Alaska, guns are viewed as tools, he affirmed his support for Second Amendment rights and stressed the importance of protecting privacy.

[2:02:39 PM](#)

CHAIR BJORKMAN stated that the Division of Banking and Securities did not anticipate a fiscal impact in the fiscal note.

[2:03:16 PM](#)

CHAIR BJORKMAN held SB 136 in committee.

[2:03:26 PM](#)

At ease.

### **SB 83-TELEHEALTH REIMBURSEMENT RATES**

[CSSB 83(HSS) was before the committee.]

[2:05:41 PM](#)

CHAIR BJORKMAN reconvened the meeting and announced the consideration of SENATE BILL NO. 83 "An Act relating to health care insurance; relating to insurance reimbursement for health care services provided through telehealth; and providing for an effective date."

[2:06:20 PM](#)

SENATOR MATT CLAMAN, District H, Alaska State Legislature, Juneau, Alaska, sponsor of SB 83 presented a brief recap and stated that the bill requires insurers to reimburse telehealth services at the same rate as in-person care. This aims to reduce

barriers for rural residents, people with disabilities, and those with limited transportation. SB 83 ensures fair payment for telehealth, aligns with existing Alaska Medicaid practices, and follows similar legislation in over 33 other states to expand access and improve care.

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CHAIR BJORKMAN opened public testimony on SB 83.

[2:07:50 PM](#)

EMILY NENON, Director, Alaska Government Relations, American Cancer Society Cancer Action Network, Anchorage, Alaska, testified in support of SB 83 and stated that this is another step in modernizing Alaska's telehealth laws, a process ongoing since just before the pandemic. She said telehealth is especially vital in Alaska. Telehealth allows patients to consult from home and only travel for necessary exams or treatments, while physicians and health systems still incur costs for facilities and staff support.

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CHAIR BJORKMAN closed public testimony on SB 83.

[2:10:18 PM](#)

CHAIR BJORKMAN solicited the will of the committee.

[2:10:19 PM](#)

SENATOR MERRICK moved to report CSSB 83(HSS), work order 34-LS0413\0, from committee with individual recommendations and attached fiscal note(s).

[2:10:37 PM](#)

CHAIR BJORKMAN found no objection and CSSB 83(HSS) was reported from the Senate Labor and Commerce Standing Committee.

[2:10:54 PM](#)

At ease.

### **SB 156-AK COMMERCIAL FISHING & AG BANK; LOANS**

[2:12:51 PM](#)

CHAIR BJORKMAN reconvened the meeting and announced the consideration of SENATE BILL NO. 156 "An Act relating to the Department of Commerce, Community, and Economic Development; relating to the Alaska Commercial Fishing and Agriculture Bank; relating to certain loans made by the Alaska Commercial Fishing and Agriculture Bank; and providing for an effective date."

[2:13:14 PM](#)

SENATOR JESSE KIEHL, District B, Alaska State Legislature, Juneau, Alaska, presented SB 156 on behalf of the sponsor. He stated that late in the last legislative session, Alaska's Division of Investments proposed lowering interest rates on the Commercial Fisheries Revolving Loan Fund to help struggling small fishing businesses for a period of three years. He said this proposal was widely supported and saved many families significant money. He clarified that although CFAB was created under statute, it is not a state agency. However, it shares a critical authority with the state's revolving loan fund: both can place a lien on a limited entry permit, allowing loans to be secured with this form of collateral. He said CFAB plays a crucial role for fishing families needing larger loans beyond the \$400,000 cap of the revolving fund, helping them upgrade vessels or acquire additional permits.

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SENATOR KIEHL said the legislature's changes to the revolving loan fund made its terms more attractive than CFAB's, causing many CFAB customers to refinance and new loan volume became non-existent. SB 156 aims to keep CFAB operational through a one-time financial infusion from capstone avionics that has sunset with funds remaining. He said the funds will be used only for loans mirroring the revolving fund's fixed terms and interest rates for about two years, after which any unused funds must be returned, and loans repaid within 20 years. SB 156 is designed to sustain CFAB without creating an ongoing funding relationship with the state.

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SENATOR DUNBAR noted that the fiscal note for the bill is zero because it uses the capstone revolving loan fund. He asked how much money is in the fund.

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SENATOR KIEHL replied that the remaining balance is \$3.7 million.

[2:21:46 PM](#)

SENATOR DUNBAR praised that \$3.7 million in unused funds were available and appreciates its proposed use. He asked, if the fishing industry remained in trouble, would there be enough funds to keep CFAB operational and extend the favorable rates beyond two years.

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SENATOR KIEHL opined that the \$3.7 million in funds, likely won't sustain CFAB beyond two years. To fully match the revolving loan fund terms could require about \$9 million. SB 156 is intended only to "keep the doors open," not make CFAB fully comfortable. The bill doesn't alter the revolving loan fund's low terms, and any future legislative changes would consider other lenders. A key distinction is that some commercial operators cannot use limited entry permits as collateral.

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CHAIR BJORKMAN announced invited testimony on SB 156.

[2:24:04 PM](#)

DOUG BLUMER, Chairman, Alaska Commercial Fishing and Agriculture Bank (CFAB) Anchorage, Alaska, testified by invitation on SB 156. He stated that the CFAB, a cooperative with over 700 members, has financed Alaska's fishing, agriculture, tourism, and natural resource businesses since 1980. Today CFAB faces a combination of challenges threatening its survival. Declining resources, including reduced salmon returns in Prince William Sound and Togiak, and lower halibut quotas, are straining the industry. These challenges are compounded by market disruptions such as low seafood prices and the departure of Trident Seafoods, Alaska's largest salmon processor. He said the most critical challenge is financial competition from the state's Commercial Fisheries Revolving Loan Fund (CFRLF), which under House Bill 273 offers loans at 5.25 percent. Many CFAB members refinanced with the state, leaving CFAB in weaker collateral positions and sharply reducing new loan activity. He said with roughly 10 percent of its portfolio paying off each year and little new borrowing, membership could shrink by 20-25 percent annually. SB 156 offers a short-term lifeline, allowing CFAB to access funds so it can match the state's loan terms. While not a long-term fix, it helps keep CFAB operating and available as a financing option for Alaska's fishing and resource-based small businesses during a period of acute stress.

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SENATOR KIEHL noted Alaska's history of supporting its largest private sector employer, the fishing industry, citing the early 2000s salmon task force. He said SB 156 continues that tradition, complementing other fisheries task force recommendations and building on last year's success with the revolving loan fund.

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CHAIR BJORKMAN held SB 156 in committee.

2:29:57 PM

There being no further business to come before the committee, Chair Bjorkman adjourned the Senate Labor and Commerce Standing Committee meeting at 2:29 p.m.