

ALASKA STATE LEGISLATURE
SENATE LABOR AND COMMERCE STANDING COMMITTEE

April 16, 2025

1:34 p.m.

MEMBERS PRESENT

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

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

SENATE BILL NO. 89

"An Act relating to physician assistants; relating to collaborative agreements between physicians and physician assistants; relating to the practice of medicine; relating to health care providers; and relating to provisions regarding physician assistants in contracts between certain health care providers and health care insurers."

- HEARD & HELD

SENATE BILL NO. 170

"An Act relating to gaming; relating to bingo; relating to pull-tabs and electronic pull-tab systems; and providing for an effective date."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: SB 89

SHORT TITLE: PHYSICIAN ASSISTANT SCOPE OF PRACTICE

SPONSOR(S): SENATOR(S) TOBIN

02/07/25	(S)	READ THE FIRST TIME - REFERRALS
02/07/25	(S)	HSS, L&C
02/18/25	(S)	HSS AT 3:30 PM BUTROVICH 205
02/18/25	(S)	Heard & Held

02/18/25 (S) MINUTE (HSS)
 02/27/25 (S) HSS AT 3:30 PM BUTROVICH 205
 02/27/25 (S) Heard & Held
 02/27/25 (S) MINUTE (HSS)
 03/04/25 (S) HSS AT 3:30 PM BUTROVICH 205
 03/04/25 (S) Moved SB 89 Out of Committee
 03/04/25 (S) MINUTE (HSS)
 03/05/25 (S) HSS RPT 5DP
 03/05/25 (S) DP: DUNBAR, CLAMAN, GIESSEL, TOBIN,
 HUGHES
 03/14/25 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
 03/14/25 (S) Heard & Held
 03/14/25 (S) MINUTE (L&C)
 04/16/25 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)

BILL: SB 170

SHORT TITLE: GAMING; ELECTRONIC PULL-TABS

SPONSOR(s): SENATOR(s) BJORKMAN

04/11/25 (S) READ THE FIRST TIME - REFERRALS
 04/11/25 (S) L&C, FIN
 04/16/25 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)

WITNESS REGISTER

SENATOR LOKI TOBIN, District I
 Alaska State Legislature
 Juneau, Alaska

POSITION STATEMENT: Sponsor of SB 89.

MACKENZIE POPE, Staff
 Senator Loki Tobin
 Alaska State Legislature
 Juneau, Alaska

POSITION STATEMENT: Answered questions for SB 89.

JENNY FAYETTE, Board Member
 Alaska Academy of Physician Assistants (AKAPA)
 Anchorage, Alaska

POSITION STATEMENT: Testified by invitation on SB 89.

CANDACE HICKEL, representing self
 Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 89.

KARI BERNARD, representing self
 Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 89.

DR. MOLLY SOUTHWORTH M.D., representing self
Anchorage, Alaska

POSITION STATEMENT: Testified in opposition to SB 89.

JARED WALLACE, representing self
Kenai, Alaska

POSITION STATEMENT: Testified in support of SB 89.

KATHY TODD, Physician
Alaska Academy of Family Physicians
Valdez, Alaska

POSITION STATEMENT: Testified in opposition to SB 89.

MICHAEL MICHAUD, representing self
Matsu Valley, Alaska

POSITION STATEMENT: Testified in support of SB 89.

MARGARET CARLSON, President
Alaska Academy of Family Physicians
Anchorage, Alaska

POSITION STATEMENT: Testified in opposition to SB 89.

KATHERINE VAN ATTA, representing self
Wasilla, Alaska

POSITION STATEMENT: Testified in support of SB 89.

JENNIFER PERKINS, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified with concerns on SB 89.

NICHOLAS COSENTINO, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified in opposition to SB 89.

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

POSITION STATEMENT: Answered questions on SB 89.

KONRAD JACKSON, Staff
Senator Jesse Bjorkman
Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: Provided the sectional analysis for SB 170.

ACTION NARRATIVE

[1:34:32 PM](#)

CHAIR BJORKMAN called the Senate Labor and Commerce Standing Committee meeting to order at 1:34 p.m. Present at the call to order were Senators Merrick Gray-Jackson, Dunbar, Yundt and Chair Bjorkman.

SB 89-PHYSICIAN ASSISTANT SCOPE OF PRACTICE

[1:35:32 PM](#)

CHAIR BJORKMAN announced the consideration of SENATE BILL NO. 89 "An Act relating to physician assistants; relating to collaborative agreements between physicians and physician assistants; relating to the practice of medicine; relating to health care providers; and relating to provisions regarding physician assistants in contracts between certain health care providers and health care insurers."

[1:36:07 PM](#)

SENATOR LOKI TOBIN, District I, Alaska State Legislature, Juneau, Alaska, sponsor of SB 89. She presented a brief recap of SB 89 and stated that the legislation aims to modernize statutes governing physician assistants (PAs) by reducing administrative burdens and providing a pathway to independent licensure. While PAs are not doctors, they receive extensive education and clinical training comparable to nurse practitioners. SB 89 ensures PAs can practice fully within their scope, maintain competitiveness, and provide high-quality care. PA's require completion of accredited education, licensure exams, and at least 4,000 postgraduate clinical hours before independent practice. SB 89 also incorporates safeguards for specialty transitions, with oversight from the state medical board, and holds PAs to the same medical standards as MDs and DOs, ensuring patient safety and accountability.

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CHAIR BJORKMAN asked how many hours a PA must work under a doctor's supervision before practicing independently. He also asked about the number of hours required by other states.

[1:41:09 PM](#)

SENATOR TOBIN replied that at least seven states have created pathways for PAs to obtain independent licensure. She stated

that the required number of supervised clinical hours varies widely across those states. Wyoming has no minimum hours, Iowa requires 4,000, South Dakota 6,000, Montana 8,000, and New Hampshire and Utah range from 8,000 to 10,000. She said rural states like Alaska, North Dakota, and Wyoming prioritize access to care and tend to have lower or no minimums. Given PAs similar scope of practice to nurse practitioners, stakeholders in Alaska agreed on a compromise of 4,000 supervised hours, acknowledging it is somewhat arbitrary.

[1:42:37 PM](#)

CHAIR BJORKMAN asked whether the medical community has professional guidance on the optimal number of supervised hours needed to achieve the best patient outcomes.

[1:42:55 PM](#)

MACKENZIE POPE, Staff, Senator Loki Tobin, Alaska State Legislature, Juneau, Alaska, answered questions for SB 89 and stated that as mentioned earlier other advanced practice providers (APP), like nurse practitioners, require zero supervised hours. She said research suggests zero hours is sufficient, and there is no consensus among stakeholders on an ideal number, resulting in a wide range—from zero to 10,000 hours—across states.

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CHAIR BJORKMAN stated that North Dakota's statute includes provisions requiring physician assistants to practice near their supervising physicians. He asked for the reasoning behind North Dakota's statute and what safeguards SB 89 includes to address the absence of a proximity requirement.

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SENATOR TOBIN replied that current law does not require physician assistants to practice near their collaborating physicians. She said about 14 percent of those physicians live outside Alaska. SB 89 does not change this arrangement. While collaborating physicians must review PAs work and hold quarterly check-ins, compliance varies. Federally recognized health clinics already provide stronger oversight; however SB 89 does not change current practices regarding where PAs and collaborating physicians live or work.

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CHAIR BJORKMAN requested more information on how Federally Qualified Health Centers (FQHCs) provide oversight. He asked whether the relationship between a supervising physician and a

physician assistant (PA) includes requirements for case reviews or peer evaluations. He also asked how SB 89 addresses the oversight structure for this relationship.

[1:46:09 PM](#)

MS. POPE replied that the policies and procedures of the Alaska State Medical Board define collaborative agreements in detail through regulation rather than statute, which SB 89 preserves. She said these agreements must be written, filed with the board, and outline how the collaborating physician and PA will communicate. Each plan is customized and must include regular, typically quarterly, check-ins and reviews, with minimum standards set by law.

MS. POPE added that policies and procedures dictate a physician must have a method of quality assurance and at a minimum 2 days each quarter of direct personal contact for reviewing a PAs performance.

[1:48:31 PM](#)

JENNY FAYETTE, Board Member, Alaska Academy of Physician Assistants (AKAPA), Anchorage, Alaska, testified by invitation on SB 89 and replied that regulations already authorize the State Medical Board to oversee collaborative agreements, requiring them in writing. The board is updating these rules to streamline the process, and SB 89 specifies that such regulations will also apply to PAs with fewer than 4,000 clinical hours.

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CHAIR BJORKMAN asked if it would be beneficial to specify in regulation or statute the number of charts or cases a PA must review with their supervising physician as part of their collaborative agreement.

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MS. FAYETTE stated her belief that overly restrictive collaborative plan requirements make it harder to employ PAs. SB 89 aims to safely expand employment opportunities, and there is no research indicating that specifying a set number of case reviews improves quality of care.

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CHAIR BJORKMAN asked whether it would be appropriate for a PA to review the top 10 most complex or uncertain cases with their supervising physician as a baseline for collaboration.

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SENATOR TOBIN replied that PAs often seek input from various medical professionals, not just their collaborating physicians. With PAs consulting multiple experts on complex cases, a chart review by one physician may not provide the same quality of oversight, reflecting the collaborative nature of multidisciplinary medical practice.

[1:51:29 PM](#)

CHAIR BJORKMAN asked who is permitted to use the title "doctor" or similar terms, and whether nurse practitioners with a PhD should use that title in clinical settings, given potential confusion for patients.

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SENATOR TOBIN replied that SB 89, Section 17, page 9, lines 21-26, clearly [AS 08.64.380(6)(B)] defines in statute how medical professionals may display their titles so patients can identify their credentials, requiring PAs to visibly identify themselves as physician assistants, similar to nurse practitioners. Second, individuals who earn a doctorate, such as in psychology or other fields, have the right to use the title "Doctor" to reflect their academic achievement.

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CHAIR BJORKMAN opened public testimony on SB 89.

[1:54:37 PM](#)

CANDACE HICKEL, representing self, Anchorage, Alaska, testified in support of SB 89 and advocated for addressing healthcare gaps in areas facing provider shortages. PAs and nurse practitioners perform similar clinical roles, but only nurse practitioners have independent licensure. She said current laws requiring collaborative agreements create barriers, as a PA cannot practice if their supervising MD moves, leaving communities without care. These agreements are seen as outdated administrative burdens, unnecessary for ensuring quality. SB 89 proposes independent licensure for PAs to improve access and allow them to practice fully within their training and capabilities.

[1:56:47 PM](#)

KARI BERNARD, representing self, Anchorage, Alaska, testified in support of SB 89 and stated that as a PhD-trained PA, she does not use the title "Doctor" to avoid patient confusion and to comply with Alaska law. She said National research shows PA-delivered care is safe, effective, and sometimes superior, with

lower complications, mortality, hospitalizations, and re-admissions, while also being cost-effective. PAs can help reduce healthcare costs through shorter hospital stays and fewer visits. SB 89 supports removing administrative burdens on PAs, enabling them to better serve rural, vulnerable, and well-resourced communities while filling provider gaps affordably.

[1:58:59 PM](#)

DR. MOLLY SOUTHWORTH, M.D., representing self, Anchorage, Alaska, testified in opposition to SB 89 and acknowledged the value of supporting PAs but argued they are not trained for independent practice, and safety in such settings has not been demonstrated, as existing studies reflect supervised care. She proposed focusing on providing high-quality medical care through strategic planning rather than licensing professionals beyond their training. She said data from 2023 shows that only 43 percent of Alaskan PAs practice primary care, down from 47 percent in 2021, and independent licensure alone will not increase this. Improving primary care and making it more attractive requires addressing administrative burdens, inequitable compensation, poor support, and burnout. Physician leaders are developing a coordinated plan and invite collaboration from others.

[2:01:40 PM](#)

JARED WALLACE, representing self, Kenai, Alaska, testified in support of SB 89 and stated that Odyssey Family Practice in Kenai serves over 6,000 patients, but care is constrained by the requirement of a collaborative plan. He said he has experienced collaborative physicians dying or losing licensure, making it increasingly difficult to secure collaborators. He said currently he pays \$96,000 annually to maintain a collaborated plan. Over 15 years, he has built strong professional relationships with various specialists, which guide patient care regardless of formal collaborative agreements. He argued that professional relationships, not collaborative plans, are key to delivering quality care. Collaborative agreements, in their experience, act as barriers, risking patient access if disrupted, rather than improving outcomes.

[2:04:16 PM](#)

KATHY TODD, Physician, Alaska Academy of Family Physicians, Valdez, Alaska, testified in opposition to SB 89 and explained that while PAs and nurse practitioners are capable, their training is less extensive than that of physicians or even advanced medical students. She said physicians undergo 11-15 years of education, compared to six or seven for PAs, and the

proposed 4,000 additional supervised hours would not equal the rigor of medical training. She argued that PAs are not prepared for independent practice. She recommended amendments requiring more supervised training and a team-based structure with physicians. She added that independent practice for PAs or nurse practitioners would reduce the quality of care, especially in Alaska's complex and remote healthcare environment.

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MICHAEL MICHAUD, representing self, Mat-Su Valley, Alaska, testified in support of SB 89 and stated that as a PA he has practiced in both urban and rural Alaska, including the Alaska Native Medical Center and Southcentral Foundation. He said in rural and remote clinics, PAs often work independently without a physician present. He stated that SB 89 would modernize regulations to reflect the independent practice that already occurs throughout Alaska.

[2:08:37 PM](#)

MARGARET CARLSON, President, Alaska Academy of Family Physicians, Anchorage, Alaska, testified in opposition to SB 89 and stated that she is a physician who has collaborated with PAs for the past 10 years. She said she recognizes the value and limitations of PAs. She urged lawmakers to consider amendments that individual physicians have submitted, such as requiring more training hours like Utah's 10,000-hour model, to strengthen skills and confidence. She stressed the importance of maintaining team-based, collaborative care, warning that independence could erode that structure. She noted there is no data supporting PA independence and argued that physician oversight helps reduce costs and improve care quality. She cautioned that SB 89 could increase costs and worsen access, as independently practicing PAs may not choose primary care.

[2:11:08 PM](#)

KATHERINE VAN ATTA, representing self, Wasilla, Alaska, testified in support of SB 89 and described extensive experience working as a PA in remote Alaska communities such as Adak and Naknek. She pointed out that SB 89 concerns independent licensure, not independent practice, and noted that most healthcare professionals already hold independent licenses. She explained that independent licensure allows continued collaboration with physicians while ensuring continuity of care despite physician shortages. Without it, frequent physician turnover could force her to stop working and reduce patient access. She concluded that SB 89 would expand hiring flexibility and improve access to healthcare, especially in rural areas.

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JENNIFER PERKINS, representing self, Anchorage, Alaska, testified with concerns on SB 89 as written and praised the skill and dedication of PAs she has worked with in both rural and urban settings. She noted that medicine is increasingly complex and that physicians receive over 12,000 supervised clinical hours, giving them broader exposure and deeper training. While acknowledging that experienced PAs can be highly capable, she believes 4,000 hours of supervised training is insufficient for independent practice. She supports potential amendments but emphasized the need for more extensive preparation to meet Alaska's unique healthcare challenges.

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NICHOLAS COSENTINO, representing self, Anchorage, Alaska, testified in opposition to SB 89 and acknowledged the passion on both sides of the SB 89 debate, noting that patient care is complex and often uncertain. He emphasized that physicians rely on years of intensive education and residency to make critical decisions, and 4,000 hours of PA training cannot match that depth. While recognizing PAs as valuable team members who often deliver excellent care, he noted that errors and missed details still occur. He stressed the importance of collaboration between physicians and PAs to maintain high-quality patient care. He urged lawmakers to vote against SB 89, arguing that teamwork, not independence, ensures the best outcomes for Alaskans.

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CHAIR BJORKMAN closed public testimony on SB 89.

[2:18:51 PM](#)

CHAIR BJORKMAN asked what role the Division of Corporations, Business and Professional Licensing (CBPL) play in overseeing this process of licensing PAs and transitioning them from practice under a physician to independent practice.

[2:19:19 PM](#)

SYLVAN ROBB, Director, Division of Corporations, Business and Professional Licensing (CBPL), Department of Commerce, Community and Economic Development (DCCED), Anchorage, Alaska, answered questions on SB 89. She responded that the division's role is to ensure that all the necessary documentation and requirements have been met for licensure and that the role would continue under SB 89.

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CHAIR BJORKMAN asked if the division has any concerns about any potential liability that might come from the concepts in SB 89.

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MS. ROBB replied that she does not anticipate any great burden on the legislature. The division submitted a zero fiscal note for SB 89, noting it will not significantly impact their workload. She said as collaborative plan requirements phase out over time, the administrative burden will decrease. This change is expected to reduce the amount of paperwork the division must process and track.

[2:21:32 PM](#)

SENATOR YUNDT asked if similar legislation has been passed in other states.

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SENATOR TOBIN replied yes. She said several states, including North Dakota, Wyoming, Iowa, South Dakota, Montana, New Hampshire, and Utah, have created pathways for independent PA licensure. These states share similarities with Alaska, such as rural populations and challenges in attracting qualified medical providers.

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SENATOR YUNDT asked how the number of required clinical hours in other states' legislation compares to each other and to Alaska.

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SENATOR TOBIN replied that states requirements vary, from none in North Dakota to 10,000 in Utah. SB 89 does not change current PA education standards, which already include 2,000 clinical hours during a 27-month program. It adds 4,000 additional hours before a PA can seek independent licensure, totaling 6,000 clinical hours overall.

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CHAIR BJORKMAN held SB 89 in committee.

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At ease.

SB 170-GAMING; ELECTRONIC PULL-TABS

[2:25:41 PM](#)

CHAIR BJORKMAN reconvened the meeting and announced the consideration of SENATE BILL NO. 170 "An Act relating to gaming;

relating to bingo; relating to pull-tabs and electronic pull-tab systems; and providing for an effective date."

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CHAIR BJORKMAN speaking as sponsor presented a summary of SB 170 and stated that the legislation aims to modernize and reform Alaska's charitable gaming statutes after years of work and stakeholder input. SB 170 builds on previous efforts by the governor's administration and addresses challenges facing nonprofits. He said paper pull tabs are now four to five times higher in price and have severely reduced the profit margin charities rely on, as most games return 85-90 percent of revenue to players. SB 170 seeks to restore the ability of charitable organizations' to generate funds from gaming. He said the goal is to ensure charitable gaming continues to benefit nonprofits, such as youth sports, senior centers, and other community organizations.

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KONRAD JACKSON, Staff, Senator Jesse Bjorkman, Alaska State Legislature, Juneau, Alaska, provided the sectional analysis for SB 170:

[Original punctuation provided.]

**SB 170 Gaming; Electronic Pull-Tabs
Ver. \I**

This is a summary only. Note that this summary should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

Section 1: Amends AS 05.15.030(a) Required notices applicant, permittee, or licensee; Removing the notice requirement to the nearest municipality by an applicant, permittee, or licensee.

Section 2: Amends AS 05.15.030(c) Required notices applicant, permittee, or licensee; Removing the notice requirement to "the local government."

Section 3: Amends AS 05.15.070 Investigations; Granting the department authority to investigate licensed and unlicensed gaming operations as well as administer civil penalties.

Section 4: Amends AS 05.15.083 Reports to departments by operators; Removing certain reporting requirements from operator reports to the department.

Section 5: Amends AS 05.15.087(a) Operator's reports to permittee and payment of net proceeds; Removing the requirement that the monthly report include a daily summary of activity and the requirement that expenses be included in the report. Adds prize payouts to the list of information to be reported. Adds electronic funds transfer as an acceptable form of payment by an operator.

Section 6: Amends AS 05.15.105(b) Persons prohibited from involvement; Adding a reference to new paragraph (c) of this section.

Section 7: Amends AS 05.15.105 Persons prohibited from involvement; Adding a new paragraph (c) prohibiting the issuance of a license to a manufacturer or distributor if a parent company, sister company or subsidiary of the manufacturer has been convicted of a violation of a law that would disqualify the parent company, sister company or subsidiary under this section.

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MR. JACKSON continued with the section analysis for SB 170:

Section 8: Amends AS 05.15.115(b) Contracts between permittees and operators; Adding authorization for an operator to pool permittees and divide the income and payouts among permittees on a percentage basis at the end of each month.

Section 9: Amends AS 05.15.115(d) Contracts between permittees and operators; Transferring the contract submittal requirement from the permittee to the operator. Changes the required method of submission of contracts to the department for approval from certified mail to electronic submission. \

Section 10: Amends AS 05.15.122 Operator's license; Adding two new subsections.

(e) Permitting an operator to conduct electronic pull-tab activities on behalf of a municipality or a

qualified organization if the operator has been issued an electronic pull-tab endorsement, and establishing requirements that must be met for the operator to receive an electronic pull-tab endorsement.

(f) Allowing for the designation of a temporary party to conduct activities for 120 days should an operator die.

Section 11: Amends AS 05.15.122(e) Operator's license; Removing from the language created in Section 10 of this bill the requirement of an operator to conduct pull-tabs for the preceding three years on January 1, 2031. The effective date is found in Section 51 of this bill.

Section 12: Amends AS 05.15.128(a) Revocation of an operator's license; Removing the minimum 15 percent of annual gross income requirement as a trigger for license revocation. Adds new paragraph 2 relating to multiple-beneficiary permit payments and reporting as an additional trigger for license revocation.

Section 13: Amends AS 05.15.165(a) Operators; Adding electronic funds transfer as an acceptable form of payment to a permittee.

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MR. JACKSON continued with the section analysis for SB 170:

Section 14: Amends AS 0515.165(c) Operators; Allowing a sign to be posted directing individuals to a website where required information is available in place of an actual informational sign.

Section 15: Amends AS 05.15.170(a); Suspension or revocation of permit, license, or vendor registration; Adding that a permit, license or vendor registration may be suspended or revoked upon conviction of the owner or manager of a parent company, sister company or subsidiary of the licensee or vendor.

Section 16: Amends AS 05.15.170 Suspension or revocation of permit, license, or vendor registration; Adding new subsections.

(c) Requires notification by the department to an operator of the suspension or revocation of a permit, license or vendor registration be via electronic mail and shall be posted on a publicly accessible website created for citizens to interact with multiple state services. (e.g., myAlaska)

(d) Requires notification by the department to a manufacturer of the suspension or revocation of a distributor and that notice shall be via electronic mail and shall be posted on a publicly accessible website created for citizens to interact with multiple state services. (e.g. myAlaska)

Section 17: Amends AS 05.15.180(b) Limitations on authorized activity; Adding electronic pull-tabs to the authorized gaming activities in the state.

Section 18: Amends AS 05.15.180(d) Limitations on authorized activity; Increasing the maximum monthly and annual value of door prizes which may be offered by municipality, a qualified organization or under authority of a multiple-beneficiary permit.

[2:35:08 PM](#)

MR. JACKSON continued with the section analysis for SB 170:

Section 19: Amends AS 05.15.180(e) Limitations on authorized activity; Requiring the department adopt regulations setting bingo game prize limits. Increases the maximum monthly and annual value of door prizes which may be offered by a bingo hall or parlor. Establishes that an operator may offer progressive bingo games and establishes how progressive bingo gross receipts and prizes be carried over to another game and how prizes are awarded.

Section 20: Amends AS 05.15.180(f) Limitations on authorized activity; Specifies no person under 18 years of age may play bingo.

Section 21: Amends AS 05.15.180(g) Limitations on authorized activity; Removing the \$500,000 prize cap from municipalities and qualified organizations who contract with an operator. Excludes electronic pulltabs from the provisions in this subsection.

Section 22: Amends AS 05.15.180 Limitations on authorized activity; Adding two new subsections:

(i) Sets the annual prize limit for a municipality or qualified organization at \$4,000,000 for electronic pull-tabs. Sets the annual prize limit for a multiple-beneficiary permit to \$4,000,000 times the number of holders of the permit for electronic pull-tabs.

(j) Grants the department the option to increase, by regulation, the prize amount in (g) and (i) of this section by up to 10 percent, once every five years.

Section 23: Amends AS 05.15.181(d) Pull-tab manufacturers; Clarifying that a pull-tab manufacturer may distribute pull-tabs only to a licensed distributor.

[2:36:57 PM](#)

MR. JACKSON continued with the section analysis for SB 170:

Section 24: Amends AS 05.15.181 Pull-tab manufacturers; Adding twelve new subsections

(f) Prohibiting a pull-tab manufacturer from modifying or paying for modifications to a building to accommodate gaming activities.

(g) Prohibits a manufacturer, an owner or employee of a manufacturer, a close family member of a manufacturer, or a parent, sister, or subsidiary company from giving gifts or other things of value to a vendor, operator, permittee or qualified organization with a total value of more than \$250 per calendar year.

(h) Requires a pull-tab manufacturer have a separate endorsement on their license prior to distributing an electronic pull-tab system in the state. Requires electronic games be tested and certified by an independent gaming testing laboratory prior to distribution.

(i) Prohibits a manufacturer from distributing pull-tabs if a manufacturer, an owner or employee of

the manufacturer or a close family member of an owner or employee of the manufacturer or a parent company, sister company or subsidiary of the manufacturer holds an interest in the distributor.

(j) Establishes criteria under which a manufacturer may refuse to sell gaming equipment or paper pull-tabs to a licensed distributor.

(k) Establishes subsection (j) is not applicable to application software and computer programs and equipment used in production, playing and reporting of approved pull-tab games.

(l) Requires a manufacturer provide the same prices and quantity requirements for paper pull-tabs to each distributor.

(m) Clarifies terms under which a manufacturer may restrict the sale of exclusive pull-tab games.

(n) Requires a manufacturer submit to the department a copy of each contract with a distributor within seven days of signing.

(o) Restricts point-of-sale data from paper tickets and bingo.

(p) Prohibits issuance of a manufacturer's license to a person otherwise prohibited under AS 05.15.105.

(q) Prohibits connection of the price or availability of a paper to an electronic pull-tab game and vice-versa.

[2:39:42 PM](#)

MR. JACKSON continued with the section analysis for SB 170:

Section 25: Amends AS 05.15.183(a) Pull-tab distributors; Requiring a distributor have a license to distribute electronic pull-tab systems. Prohibits the issuance of a distributor's license by the department if the person is licensed as an operator or participates in another aspect of the manufacture or sale of pull-tabs.

Section 26: Amends AS 05.15.183(c) Pull-tab distributors; Adding that electronic pull-tab systems may only be distributed from a location within the state.

Section 27: Amends ASA 05.15.183(e) Pull-tab distributors; Establishes that a distributor may deliver electronic pull-tab series directly to a vendor.

[2:40:31 PM](#)

MR. JACKSON continued with the section analysis for SB 170:

Section 28: Amends AS 05.15.183 Pull-tab distributors; Adding eight new subsections.

(f) Establishes a distributor must have an electronic pull-tab endorsement prior to distributing an electronic pull-tab system.

(g) Prohibits issuance of a distributor's license to a person otherwise prohibited under AS 05.15.105.

(h) Establishes restricted actions of a distributor.

(1) Prohibits gifts, compensation or other things of value greater than \$25 to a municipality or qualified organization, or an employee or agent of a municipality or qualified organization.

(2) Prohibits modification of a building for the purposes of accommodating a gaming system, including electrical work or utility connection.

(3) Prohibits giving compensation or a thing of value to an owner or lessor of a gaming premises.

(4) Prohibits participation in gaming activities at a premises using equipment from that distributor.

(5) Prohibits alteration of modification of gaming equipment, except to add a last sale sticker.

(6) Prohibits obtaining or using point-of-sale information.

(7) Prohibits connection of the price or availability of a paper to an electronic pull-tab game and vice-versa.

(8) Prohibits a distributor from being an owner, shareholder or subsidiary of a manufacturer.

(9) Restricts distribution of a pull-tab game to a permittee or licensee owned or managed by a person within two degrees of consanguinity to an owner or employee of a distributor.

(i) Requires electronic pull-tabs meet the requirements of AS 05.15.186.

(j) Allows up to \$250 a year in marketing and promotional materials may be provided to a qualifying permit holder.

(k) Requires a distributor submit copies of contracts with a permittee, multiple-beneficiary permittee, vendor or operator to the department.

(l) Requires the department provide a serialized stamp to a distributor and requires tablets be stamped.

[2:43:21 PM](#)

SENATOR DUNBAR asked if there was a draft of the sectional summary online.

CHAIR BJORKMAN replied no.

SENATOR DUNBAR noted that laws should be understandable to the public and questioned the use of the obscure term "consanguinity" instead of "blood relative." He suggested consulting the drafter to consider using clearer, more common language in future legislation.

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MR. JACKSON continued with the section analysis for SB 170:

Section 29: Amends AS 05.15.185 Distribution of pull-tabs; Updating serial number and integrity requirements to apply to electronic pull-tabs as well as paper. Allows for distribution of electronic pull-tab games to a vendor under 05.15.183(e).

Section 30: Amends AS 05.15.185 Distribution of pull-tabs; Adding three new subsections:

(b) Establishes additional requirements for electronic pull-tabs.

(c) Limits electronic pull-tab games to a maximum of 15,000 tickets.

(d) Requires the cost of each ticket for a paper pull-tab game be disclosed on the invoice.

Section 31: Amends AS 05.15 by adding a new section: AS 05.15.186 Electronic pull-tabs. The new language provides for the physical characteristics of electronic pull-tab devices, their operation, and security. The acceptance of credit cards, dispensing anything of value, and any visuals that mimic the spinning reels of a slot machine are all prohibited. Pull-tab machines must display the serial number or series of numbers for an electronic pull-tab, the display, and any prize awarded and may automatically close when all winning tickets have been played. The new language sets limits for payouts, fees at 35 percent of gross receipts, and prohibits linking the ability to purchase paper pull-tabs or prices to electronic pull-tabs

Section 32: Amends AS 05.15.187(d) Operation of pull-tab games; Clarifying that the provisions in this subsection apply only to paper pull-tabs.

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MR. JACKSON continued with the sectional analysis for SB 170:

Section 33: Amends AS 05.15.187(e) Operation of pull-tab games; Specifies no person under 18 years of age may access pull-tabs.

Section 34: Amends AS 05.15.187(f) Operation of pull-tab games; Adding language specifying that the current record-keeping requirements for permittees in this subsection apply to paper pull-tabs and adding language with requirements for record keeping for electronic pull-tabs.

Section 35: Amends AS 05.15.187(i) Operation of pull-tab games; Clarifying that the provisions in this subsection apply only to paper pull-tabs and increasing from \$50 to \$100 the prize amount at or above which a prize winner is required to sign a receipt.

Section 36: Amends AS 05.15.187 Operation of pull-tab games; Adding six new subsections. Requires designation of a person at an operation who is

responsible for overseeing pull-tabs. Allows the department to limit the number of electronic pull-tab machines at a location to one tablet for every six people who may occupy the premises. Prohibits owners, employees, and those who have access to electronic pull-tab status reports from playing paper or electronic pull-tabs at a location. Prohibits those who operate or benefit from pull-tab sales from receiving gifts from manufacturers or from individuals or companies connected to manufacturers in excess of \$250 in a calendar year.

Section 37: Amends 05.15.188(g) Pull-tab sales by vendors on behalf of permittees; vendor registration; Adding the option for an alternate member in charge of pull-tab operations and specifying that the provisions in this subsection apply only to paper pull-tabs.

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MR. JACKSON continued with the sectional analysis for SB 170:

Section 38: Amends 05.15.188(h) Pull-tab sales by vendors on behalf of permittees; vendor registration; Clarifying that the provisions in this subsection apply only to paper pull-tabs.

Section 39: Amends 05.15.188(i) Pull-tab sales by vendors on behalf of permittees; vendor registration; Adding the option for an alternate member in charge of pull-tab operations to accept vendor payments, specifying that the provisions in this subsection apply only to paper pull-tabs, and allowing for electronic payments from vendors to permittees.

Section 40: Amends 05.15.188 Pull-tab sales by vendors on behalf of permittees; vendor registration; Adding nine new subsections. Provides a permittee - vendor contractual limit of 30 percent of gross receipts less the prize payouts. Limits vendor locations to selling only paper pull-tabs and electronic pull-tabs on portable devices. Specifies vendors monthly reporting requirements, and weekly payment schedule. Allows for a vendor to pool permittees, specifies that cash shortages are the vendor's responsibility, and prohibits registration of vendors that are prohibited under AS 05.15.105. Also prohibits vendors from receiving gifts of more than \$250 in a year from

manufacturers or from individuals or companies connected to manufacturers.

Section 41: Amends AS 05.15.640(a) Restrictions on use of broadcasting; online gaming; Removing the prohibition on using broadcasting to promote a charitable gaming activity.

Section 42: Amends AS 05.15.640(c) Restrictions on use of broadcasting; online gaming; Adding language defining "internet" and "internet communication" for the purpose of conducting charitable gaming activities as allowed under this subsection.

Section 43: Amends 05.15.690(1) Definitions; Adding taxes collected under AS 05.15.184 to adjustments that may be made to gross income.

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MR. JACKSON continued with the sectional analysis for SB 170:

Section 44: Amends 05.15.690(33) Definitions; Removing restrictions on what is an allowed expense against gross receipts.

Section 45: Amends 05.15.690(39) Definitions; Adding electronic representation of a card to the definition of pull-tab game, allowing for electronic pull-tabs.

Section 46: Amends 05.15.690(40) Definitions; Adding school-based extracurricular or co-curricular booster clubs to the list of qualified organizations that may benefit from pull-tab operations.

Section 47: Amends 05.15.690(46) Definitions; Adding electronic pull-tab serial numbers to the definition of serial numbers.

Section 48: Amends 05.15.690 Definitions; Adding definitions for "distributor," "electronic pull-tab systems," "immediate family member" and "manufacturer."

Section 49: Repeals statutes requiring regulations be consistent with the North American Gaming Regulators Association, limiting permittees to contracting with only one operator, requiring permittees to use

proceeds within one year, repealing the list of allowed expenses against revenue from pull-tab operations, repeals penalty language for operators claiming unauthorized expenses, repeals language allowing the department to authorize non-commercial stations to broadcast limited conduction of gaming activity, and repeals the definition of "internet" and "internet connection" in this section.

Section 50: Provides that AS 05.15.183(m) only applies to contracts entered into on or after January 1, 2026.

Section 51: Provides an effective date of January 1, 2031 for Section 11 of the bill, repealing the requirement that new electronic pull-tab vendors have three years of experience providing paper pull-tabs to venues in Alaska.

Section 52: Provides an effective date of January 1, 2026 for all other sections of the bill.

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CHAIR BJORKMAN noted an oversight in Section 40 of the sectional analysis for SB 170, which sets limits on vendor revenue: 30 percent for paper pull tabs and 25 percent for electronic pull tabs. The lower limit for electronic pull tabs reflects higher revenue potential and reduced employee burden, consistent with experiences in other states.

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CHAIR BJORKMAN held SB 170 in committee.

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There being no further business to come before the committee, Chair Bjorkman adjourned the Senate Labor and Commerce Standing Committee meeting at 2:55 p.m.