

**ALASKA STATE LEGISLATURE**  
**SENATE STATE AFFAIRS STANDING COMMITTEE**

April 22, 2025

3:47 p.m.

**MEMBERS PRESENT**

Senator Scott Kawasaki, Chair  
Senator Jesse Bjorkman, Vice Chair  
Senator Bill Wielechowski  
Senator Elvi Gray-Jackson  
Senator Robert Yundt

**MEMBERS ABSENT**

All members present

**COMMITTEE CALENDAR**

SENATE BILL NO. 116

"An Act amending campaign contribution limits for state and local office; directing the Alaska Public Offices Commission to adjust campaign contribution limits for state and local office once each decade beginning in 2031; and relating to campaign contribution reporting requirements."

- MOVED SB 116 OUT OF COMMITTEE

SENATE BILL NO. 102

"An Act exempting the state from daylight saving time; and providing for an effective date."

- HEARD & HELD

SENATE BILL NO. 26

"An Act petitioning the United States Department of Transportation to change the time zones of Alaska; exempting the state from daylight saving time; and providing for an effective date."

- HEARD & HELD

HOUSE BILL NO. 121

"An Act relating to the practice of accounting; and providing for an effective date."

- HEARD & HELD

SENATE BILL NO. 35

"An Act relating to transportation network and delivery network companies."

- MOVED SB 35 OUT OF COMMITTEE

**PREVIOUS COMMITTEE ACTION**

BILL: SB 116

SHORT TITLE: CAMPAIGN FINANCE, CONTRIBUTION LIMITS

SPONSOR(s): STATE AFFAIRS

03/05/25	(S)	READ THE FIRST TIME - REFERRALS
03/05/25	(S)	STA, FIN
03/27/25	(S)	STA AT 3:30 PM BELTZ 105 (TSBldg)
03/27/25	(S)	Heard & Held
03/27/25	(S)	MINUTE(STA)
04/15/25	(S)	STA AT 3:30 PM BELTZ 105 (TSBldg)
04/15/25	(S)	Scheduled but Not Heard
04/22/25	(S)	STA AT 3:30 PM BELTZ 105 (TSBldg)

BILL: SB 102

SHORT TITLE: ELIMINATE DAYLIGHT SAVING TIME

SPONSOR(s): STATE AFFAIRS

02/19/25	(S)	READ THE FIRST TIME - REFERRALS
02/19/25	(S)	CRA, STA
03/11/25	(S)	CRA AT 1:30 PM BELTZ 105 (TSBldg)
03/11/25	(S)	Heard & Held
03/11/25	(S)	MINUTE(CRA)
03/18/25	(S)	CRA AT 1:30 PM BELTZ 105 (TSBldg)
03/18/25	(S)	Heard & Held
03/18/25	(S)	MINUTE(CRA)
03/25/25	(S)	CRA AT 1:30 PM BELTZ 105 (TSBldg)
03/25/25	(S)	Moved SB 102 Out of Committee
03/25/25	(S)	MINUTE(CRA)
03/26/25	(S)	CRA RPT 3DP 1NR
03/26/25	(S)	DP: MERRICK, DUNBAR, GRAY-JACKSON
03/26/25	(S)	NR: YUNDT
04/22/25	(S)	STA AT 3:30 PM BELTZ 105 (TSBldg)

BILL: SB 26

SHORT TITLE: ELIMINATE DAYLIGHT SAVING TIME

SPONSOR(s): MERRICK

01/22/25 (S) PREFILE RELEASED 1/10/25  
 01/22/25 (S) READ THE FIRST TIME - REFERRALS  
 01/22/25 (S) CRA, STA  
 03/11/25 (S) CRA AT 1:30 PM BELTZ 105 (TSBldg)  
 03/11/25 (S) <Bill Hearing Canceled>  
 03/18/25 (S) CRA AT 1:30 PM BELTZ 105 (TSBldg)  
 03/18/25 (S) Heard & Held  
 03/18/25 (S) MINUTE(CRA)  
 03/25/25 (S) CRA AT 1:30 PM BELTZ 105 (TSBldg)  
 03/25/25 (S) Moved SB 26 Out of Committee  
 03/25/25 (S) MINUTE(CRA)  
 03/26/25 (S) CRA RPT 3DP 1NR  
 03/26/25 (S) DP: MERRICK, DUNBAR, GRAY-JACKSON  
 03/26/25 (S) NR: YUNDT  
 04/22/25 (S) STA AT 3:30 PM BELTZ 105 (TSBldg)

BILL: HB 121

SHORT TITLE: ACCOUNTING; PRACTICE PRIVILEGE  
 SPONSOR(s): SCHRAGE

02/28/25 (H) READ THE FIRST TIME - REFERRALS  
 02/28/25 (H) L&C  
 03/10/25 (H) L&C AT 3:15 PM BARNES 124  
 03/10/25 (H) -- MEETING CANCELED --  
 03/12/25 (H) L&C AT 3:15 PM BARNES 124  
 03/12/25 (H) Heard & Held  
 03/12/25 (H) MINUTE(L&C)  
 03/14/25 (H) L&C AT 3:15 PM BARNES 124  
 03/14/25 (H) Moved HB 121 Out of Committee  
 03/14/25 (H) MINUTE(L&C)  
 03/17/25 (H) L&C RPT 5DP 1NR  
 03/17/25 (H) DP: COULOMBE, BURKE, NELSON, HALL,  
 FIELDS  
 03/17/25 (H) NR: CARRICK  
 03/17/25 (H) L&C AT 3:15 PM BARNES 124  
 03/17/25 (H) <Bill Hearing Canceled>  
 03/24/25 (H) TRANSMITTED TO (S)  
 03/24/25 (H) VERSION: HB 121  
 03/26/25 (S) READ THE FIRST TIME - REFERRALS  
 03/26/25 (S) EDC, L&C  
 04/09/25 (S) EDC REFERRAL REMOVED  
 04/09/25 (S) STA REFERRAL ADDED  
 04/22/25 (S) STA AT 3:30 PM BELTZ 105 (TSBldg)

BILL: SB 35

SHORT TITLE: DELIVERY NETWORK COMPANIES  
 SPONSOR(s): BJORKMAN

01/22/25 (S) PREFILE RELEASED 1/10/25  
01/22/25 (S) READ THE FIRST TIME - REFERRALS  
01/22/25 (S) STA, L&C  
03/18/25 (S) STA AT 3:30 PM BELTZ 105 (TSBldg)  
03/18/25 (S) Heard & Held  
03/18/25 (S) MINUTE(STA)  
04/22/25 (S) STA AT 3:30 PM BELTZ 105 (TSBldg)

**WITNESS REGISTER**

JOE HAYES, Staff  
Senator Scott Kawasaki  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Presented an overview of SB 116.

HEATHER HEBDON, Executive Director  
Alaska Public Office Commission (APOC)  
Anchorage, Alaska

**POSITION STATEMENT:** Answered questions regarding SB 116.

KEVIN MORFORD, President  
Alaska Move to Amend  
Chugiak, Alaska

**POSITION STATEMENT:** Testified in support of SB 116.

BRUCE BOTELHO, Co-Chair  
Citizens Against Money in Politics  
Douglas, Alaska

**POSITION STATEMENT:** Testified in support of SB 116.

HEATHER KOPONEN, representing self  
Fairbanks, Alaska

**POSITION STATEMENT:** Testified in support of SB 116.

MERCEDES ARCINIEGA, Outreach and Good Government Lead  
Alaska Public Interest Research Group (APIRG)  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of SB 116.

HEATHER ARNETT, Board Member  
League of Women Voters of Alaska  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of SB 116.

MIKE COONS, representing self

Wasilla, Alaska

**POSITION STATEMENT:** Testified in opposition to SB 116.

FRANK BOX, Alaska Move to Amend

Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of SB 116.

JOE HAYES, Staff

Senator Scott Kawasaki

Alaska State Legislature

Juneau, Alaska

**POSITION STATEMENT:** Presented SB 102.

JAY PEA, President

Save Standard Time

Phoenix, Arizona

**POSITION STATEMENT:** Testified by invitation on SB 102.

CINDY HITE, representing self

Willow, Alaska

**POSITION STATEMENT:** Testified in support of SB 102.

LISA ALEXIA, representing self

Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of SB 102.

HEATHER KOPONEN, representing self

Fairbanks, Alaska

**POSITION STATEMENT:** Testified in support of SB 102.

LYNN WILLIS, representing self

Eagle River, Alaska

**POSITION STATEMENT:** Testified in support of SB 102.

SENATOR KELLY MERRICK, District L

Alaska State Legislature

Juneau, Alaska

**POSITION STATEMENT:** Sponsor of SB 26.

KERRY KROCKER, Staff

Senator Kelly Merrick

Alaska State Legislature

Juneau, Alaska

**POSITION STATEMENT:** Provided the sectional analysis for SB 26.

AMANDA NDEMO, Staff

Representative Calvin Schrage

Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Presented the overview for HB 121.

REPRESENTATIVE CALVIN SCHRAGE, District 12  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Sponsor of HB 121.

BETH STUART, Office Managing Partner  
Klynveld, PEAT, Marwick, Goerdeler (FLLC)  
Anchorage, Alaska

**POSITION STATEMENT:** Testified by invitation on HB 121.

KAREN BREWER-TARVER, Chair  
Alaska Society of Certified Public  
Accountants (AKCPA)  
Legislative Committee  
Anchorage, Alaska

**POSITION STATEMENT:** Testified by invitation on HB 121.

CRISTA BURSON, President  
Alaska Society of CPAs  
Anchorage, Alaska

**POSITION STATEMENT:** Testified by invitation on HB 121.

TOM NEILL, Chair  
Uniform Accountancy Act Committee  
American Institute of Certified Public Accountants (AICPA)  
Seattle, Washington

**POSITION STATEMENT:** Testified by invitation on HB 121.

THERESA OBERMEYER, representing self  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of HB 121.

#### **ACTION NARRATIVE**

[3:47:06 PM](#)

CHAIR KAWASAKI called the Senate State Affairs Standing Committee meeting to order at 3:47 p.m. Present at the call to order were Senators Bjorkman, Yundt and Chair Kawasaki. Senator Gray-Jackson arrived shortly after; Senator Wielechowski arrived thereafter.

#### **SB 116-CAMPAIGN FINANCE, CONTRIBUTION LIMITS**

[3:48:31 PM](#)

CHAIR KAWASAKI announced the consideration of SENATE BILL NO. 116 "An Act amending campaign contribution limits for state and local office; directing the Alaska Public Offices Commission to adjust campaign contribution limits for state and local office once each decade beginning in 2031; and relating to campaign contribution reporting requirements."

[3:48:55 PM](#)

JOE HAYES, Staff, Senator Scott Kawasaki, Alaska State Legislature, Juneau, Alaska, presented an overview of SB 116 and moved to slide 2:

[Original punctuation provided.]

Why is this bill necessary?

**BACKGROUND**

In 2021, a federal court ruled that Alaska's lower than average campaign contribution limits unconstitutionally restricted free speech. Governor Dunleavy declined to have the matter reconsidered and the legislature took no action.

This leaves Alaska's elections vulnerable to unlimited contributions on state elections by wealthy donors and having no limit magnifies the influence that these wealthy individuals have over elected officials.

When money is speech, the average citizen's voice can be easily drowned out. It's time for Alaska to set reasonable limits on campaign finance.

[3:49:51 PM](#)

MR. HAYES moved to slide 3 and discussed the diagram showing Alaska's campaign contributions began with a \$1,000 limit in 1974 and now have no limits.

[3:50:07 PM](#)

MR. HAYES moved to slide 4 and explained the chart displaying the history of campaign contribution limits in Alaska dated back to 1974, with legislation enacted through the 2021 Advisory Opinion, followed by the commission's 2022 rejection of the administrative opinion.

[3:50:29 PM](#)

MR. HAYES moved to slide 5 and discussed the role, the District Court and the Ninth Circuit Court of Appeals (Ninth Circuit), played in the Thompson v. Hebdon case.

[Original punctuation provided.]

### **Thompson v. Hebdon**

- Plaintiffs sued challenging Alaska's political contribution limits and aggregate out-of-state limits.
- The District Court and Ninth Circuit Court of Appeals initially upheld the individual limits as a "sufficiently important state interest" and "closely drawn" to that end, but ruled the out-of-state contribution limits were unconstitutional.
- The U.S. Supreme Court remanded this decision back to the Ninth Circuit to reconsider their decision. They urged the Ninth Circuit to apply the "five factor test" in the *Randall v. Sorrell* (2006) decision, which ruled Vermont's \$400 contribution limit unconstitutional.
- In 2021, the Ninth Circuit struck down Alaska's statutory political contribution limits on the basis that they were too low and had not been adjusted for inflation since initially implemented.

[3:51:30 PM](#)

MR. HAYES moved to slide 6 and read the following:

[Original punctuation provided.]

### **Where are we now?**

- In 2021, the Alaska Public Offices Commission (APOC) issued an advisory opinion under AS 15.13.374 that they would enforce annual \$1,500 individual-to-candidate and \$3,000 group-to-candidate contribution limits.

- APOC's staff based the advisory opinion on the limits established by the Alaska Legislature in 2003 (\$1,000 per year for individual-to-candidate donations) adjusted for inflation.
- On March 3rd, 2022, APOC's five commissioners voted on whether or not to accept the staff's advisory opinion. Three out of the five commissioners voted in support of the advisory opinion. Four votes were required and so the staff's advisory opinion was not accepted.
- APOC, in their decision, "implored" the Legislature to swiftly revisit the state's campaign finance laws in order to balance the federal court's order "with the desire of Alaska voters." So far, despite efforts from proponents of contribution limits, the Legislature has failed to reestablish new limits.
- Now, without action by Alaska voters or the state legislature, Alaska has no individual-to-candidate limits, out-of-state contribution limits, or individual-to-group limits, opening our state and local elections to unlimited funding from anyone, anywhere in the nation.

[3:53:04 PM](#)

MR. HAYES moved to slide 7 and read the following:

[Original punctuation provided.]

#### **Contribution Limits Legislation Overview**

- **Reinstates Fair, Reasonable, and Constitutional Contribution Limits** - Reinstates campaign contribution limits enacted by Alaskan voters. These limits based on the 2006 limits adjusted for inflation and the new two-year campaign period.
- **Establishes Per Campaign Period Limits** - Limits to a "per campaign" period, ensuring consistent limits regardless of election timing or candidate entry date.

- **Are the limits indexed for inflation?** - Requires the Alaska Public Offices Commission (APOC) to index political contribution limits every ten years based on inflation, beginning in 2031.

[3:53:58 PM](#)

MR. HAYES moved to slide 8 and read the chart showing the proposed contribution limits. He said the old limits were \$500 per year, increasing to \$2,000 per campaign under new legislation. Group-to-group or non-group contributions rose from \$1,000 per year to \$4,000 per campaign, and individual contributions to a joint governor-lieutenant governor campaign increased from \$1,000 to \$4,000 per campaign.

[3:54:31 PM](#)

MR. HAYES moved to slide 9 and showed a diagram distinguishing the difference between individual and group donation limits, and non-group donation limits.

[3:54:42 PM](#)

MR. HAYES moved to slide 10 and read the contents of the chart showing the constitutionality of new limits after applying the "five factor test" from the Randall v. Sorrell decision.

[3:55:41 PM](#)

MR. HAYES moved to slide 11 and read the following:

[Original punctuation provided.]

#### **What this legislation achieves**

- **Makes Alaska's Limits Constitutional** - This initiative brings Alaska's individual-to-candidate and individual-to-group political contribution limits in compliance with the Thompson v Hebdon court decision.
- **Reestablishes Limits Alaska's voters support** - This initiative reestablishes the contribution limits previously enacted by voters in 2006, adjusted for inflation. 1996 initiative garnered 73 percent voter approval, and 85 percent of those polled supported campaign finance reform.
- **Immediate and Narrow** - This initiative is an immediate and narrow solution to the court's

striking down of our voter approved campaign contribution limits.

[3:56:50 PM](#)

SENATOR YUNDT asked if SB 116 would limit campaign donations to political action committees and independent expenditures, or only to individuals.

MR. HAYES directed the question to the executive director of the Alaska Public Office Commission.

[3:57:56 PM](#)

HEATHER HEBDON, Executive Director, Alaska Public Office Commission (APOC), Anchorage, Alaska answered questions regarding SB 116 and replied that her understanding is the bill would limit Political Action Committee (PAC) contributions under [AS 15.13.070(c)] as it falls under the definition of a group. She said under [AS 15.13.070] the bill would not apply to independent expenditure groups.

[3:58:52 PM](#)

SENATOR YUNDT asked whether SB 116 limits what PAC can give to a candidate, and does it limit what an individual can give to PAC, or could someone still make a large donation.

[3:59:20 PM](#)

MS. HEBDON replied that SB 116 limits what an individual can give to PAC, it does not restrict contributions to independent expenditure groups.

[3:59:43 PM](#)

SENATOR YUNDT requested clarification on whether an individual could still contribute an unlimited amount to an independent expenditure.

[3:59:51 PM](#)

MS. HEBDON replied yes.

[4:00:25 PM](#)

CHAIR KAWASAKI opened public testimony on SB 116

[4:00:38 PM](#)

KEVIN MORFORD, President, Alaska Move to Amend, Chugiak, Alaska, testified in support of SB 116 and stated that the bill aligns with a 2026 ballot initiative his organization helped advance. Passing SB 116 this year would ensure limits are in place before the 2026 election. Alaskans have historically supported strong

contribution caps, and prior limits were only removed due to a Ninth Circuit Court decision. SB 116 has been carefully drafted to address those legal issues and is expected to withstand constitutional challenges. While it does not regulate independent expenditures, SB 116 is an important step in reducing the influence of money in Alaska's elections.

[4:03:32 PM](#)

CHAIR KAWASAKI asked for elaboration on issues with super PAC's, noting concerns that large sums of money can flow to them, and that individual contributions might help counterbalance their influence.

[4:04:09 PM](#)

MR. MORFORD replied that SB 116 does not regulate independent expenditure because the Supreme Court protects them under the First Amendment. The bill focuses on contributions to campaigns and ballot initiatives, where the state has an interest in preventing corruption or its appearance.

[4:05:31 PM](#)

SENATOR YUNDT stated that the Supreme Court has deemed limits on contributions to independent expenditure unconstitutional, while the question of limits on individual contributions is still pending in the Ninth Circuit.

[4:06:19 PM](#)

BRUCE BOTELHO, Co-Chair, Citizens Against Money in Politics, Douglas, Alaska, testified in support of SB 116 and stated that Alaskans have consistently supported campaign finance limits since the first limits were passed in 1974. Challenges like the Thompson v. Hebdon case highlighted that past limits were unconstitutionally low and lacked inflation adjustments, issues addressed in SB 116. He said public support remains strong, with polls showing 65 percent overall approval and higher support in regions like the Kenai Peninsula and Matsu. Independent expenditures, protected under Citizens United, have had limited impact in Alaska, mainly appearing in statewide or local races rather than legislative contests.

[4:11:15 PM](#)

CHAIR KAWASAKI asked whether there was any consideration of including a cap on out-of-state contributions.

[4:11:44 PM](#)

MR. BOTELHO replied that the Ninth Circuit struck down the out-of-state contribution cap, and the Supreme Court did not take up

the issue. Now, both Alaska residents and out-of-state donors are subject to the same limits, \$2,000, or \$4,000 for gubernatorial and lieutenant gubernatorial races.

[4:12:39 PM](#)

SENATOR YUNDT asked if the Ninth Circuit established a specific limit, or set a number, when they sent the ruling back to the legislature.

[4:12:49 PM](#)

MR. BOTELHO answered the Ninth Circuit did not set a number. He said instead the court left it to the legislature to act on the guidance, yet the legislature chose not to take action.

[4:13:07 PM](#)

SENATOR YUNDT stated his concerned that since no exact number was given, any limit set could be challenged and potentially struck down by the Supreme Court, like independent expenditures. He opined that SB 116 is only a short-term solution and expressed frustration that candidate donations carry limits while independents expenditures do not.

[4:13:54 PM](#)

MR. BOTELHO replied that the initiative and SB 116 were crafted with Supreme Court and Ninth Circuit guidance in mind. Supporters are confident the \$2,000 limit is reasonable compared to other states and will hold up if challenged, with periodic adjustments starting in the 2030 election cycle.

[4:15:03 PM](#)

SENATOR BJORKMAN referred to SB 116, page 2, line 5 and said the language sets a \$5,000 annual limit on individual contributions to a political party or other group. He asked whether independent expenditure groups or PACs are considered "other groups" under that wording.

[4:15:44 PM](#)

MR. BOTELHO replied that this legislation does not attempt to regulate independent expenditure groups, as they are governed by federal rather than state law.

[4:15:58 PM](#)

SENATOR BJORKMAN asked who represents the "other groups" found in the legislation.

[4:16:08 PM](#)

MR. BOTELHO replied that organizations like the Homeowner's Associations.

[4:16:33 PM](#)

SENATOR GRAY-JACKSON asked if the "other groups" means organizations like Planned Parenthood.

[4:16:43 PM](#)

MR. BOTELHO answered yes.

[4:17:06 PM](#)

HEATHER KOPONEN, representing self, Fairbanks, Alaska, testified in support of SB 116 and stated her belief that it should be one person one vote.

[4:18:08 PM](#)

MERCEDES ARCINIEGA, Outreach and Good Government Lead, Alaska Public Interest Research Group (APIRG), Anchorage, Alaska, testified in support of SB 116. She said Alaska currently has no limits on individual, out-of-state, or group contributions, leaving elections vulnerable to corruption and outside influence. Alaskans have historically supported strong limits, and APOC has urged the legislature to act. She stated that SB 116 reflects voter priorities by reinstating limits with a provision for inflation adjustments every 10 years, ensuring they remain fair, effective, and sustainable over time.

[4:20:07 PM](#)

HEATHER ARNETT, Board Member, League of Women Voters of Alaska, Anchorage, Alaska, testified in support of SB 116. She said the League of Women Voters of Alaska supports reasonable campaign contribution limits to ensure fair competition for public office and appreciates that SB 116 includes periodic adjustments for inflation.

[4:21:18 PM](#)

MIKE COONS, representing self, Wasilla, Alaska, testified in opposition to SB 116. He argued it infringes on personal rights to freely support candidates financially. He contended it won't reduce outside or independent expenditure funding, and believes it violates Supreme Court rulings by restricting individuals' ability to donate as they choose. He emphasized that donations reflect genuine support for candidates, not vote-buying, and view the bill as politically motivated rather than protecting voter interests.

[4:23:29 PM](#)

FRANK BOX, Alaska Move to Amend, Anchorage, Alaska, testified in support of SB 116 and shared his recollection of when and why the limit was dropped from \$1000 to \$500.

[CHAIR KAWASAKI closed public testimony on SB 116.]

[4:26:41 PM](#)

CHAIR KAWASAKI solicited the will of the committee.

[4:26:43 PM](#)

CHAIR BJORKMAN moved to report SB 116, work order 34-LS0699\A, from committee with individual recommendations and attached fiscal note(s).

[4:27:00 PM](#)

CHAIR KAWASAKI found no objection and SB 116 was reported from the Senate State Affairs Standing Committee.

[4:27:12 PM](#)

At ease.

#### **SB 102-ELIMINATE DAYLIGHT SAVING TIME**

[4:28:45 PM](#)

CHAIR KAWASAKI reconvened the meeting and announced the consideration of SENATE BILL NO. 102 "An Act exempting the state from daylight saving time; and providing for an effective date."

[4:29:06 PM](#)

JOE HAYES, Staff, Senator Scott Kawasaki, Alaska State Legislature, Juneau, Alaska, presented SB 102:

[Original punctuation provided.]

- **SB 102 Eliminates Alaska's observation of the twice-yearly clock change known as Daylight Saving Time and opts to keep Alaska in Permanent Observation of Standard Time.**
  - Arizona, Hawaii, five US territories and many countries have ceased the observation of DST yearly.
  - 60 percent of countries in the EU voted to remove observation of DST in 2019.
- **There are many negative health effects associated with the annual clock change, regardless of springing forward or falling back.**

-Negative health effects include mental and behavioral issues, risks to cardiovascular health, circadian rhythm changes and injuries due to the lack of light in the morning after switching to DST

- **Permanent ST is the best option for Alaskans around the State. Many, many studies point to Standard time being the best and healthiest option for everyone, including Alaskans. This is the quickest way to stop the twice annual clock change.**

-Russia tried permanent DST and it led to increased health issues, stress and in Northern Russia, harsher winter months due to the lack of sunlight. There was an increase of road accidents due to permanent DST.

-Current federal laws allow states to exempt themselves from observing DST which is why Hawaii, Arizona and 5 US Territories observe year-round Standard Time. However, states are not allowed to move to permanent DST until congress amends the Uniform Time Act.

[4:31:16 PM](#)

CHAIR KAWASAKI announced invited and public testimony on SB 102.

[4:32:13 PM](#)

JAY PEA, President, Save Standard Time, Phoenix, Arizona, testified by invitation on SB 102. He stated that daylight saving time doesn't create more daylight and forces people to wake up earlier, leading to sleep deprivation, health risks, safety issues, and economic costs. Permanent daylight time has been tried and repealed due to these problems, while permanent standard time supports circadian health, school children, commuters, and workers. He said many states and countries have adopted or are considering permanent standard time, which is federally approved and provides a safe, healthy, and lasting alternative to clock changes.

[4:34:32 PM](#)

CHAIR KAWASAKI asked for his opinion on what President Trump has said about his preference on daylight savings.

[4:34:59 PM](#)

MR. PEA replied that President Trump has given conflicting statements on daylight saving time, making his stance unpredictable. He emphasized that permanent standard time, aligning clocks with natural sunlight, is the healthiest and safest option.

[4:36:03 PM](#)

CINDY HITE, representing self, Willow, Alaska, testified in support of SB 102.

[4:36:34 PM](#)

LISA ALEXIA, representing self, Anchorage, Alaska, testified in support of SB 102. She said with 25 years of Alaskan healthcare experience, supports eliminating daylight saving time (DST) for public health, safety, and educational benefits. She emphasized that Alaska's displacement from solar noon causes circadian disruptions, contributing to physical, mental, and educational problems, especially in winter and in western regions. SB 102 is favored because it restores morning light, unlike other proposals that delay action or exacerbate late sunrises. She compared returning to standard time to public health measures such as vaccines and seatbelts. She highlighted the importance of legislative decisions for population-level benefits.

[4:40:14 PM](#)

HEATHER KOPONEN, representing self, Fairbanks, Alaska, testified in support of SB 102, reiterating previous testimonies. She opined that getting rid of daylight savings is better than being closer to Seattle time.

[4:41:51 PM](#)

LYNN WILLIS, representing self, Eagle River, Alaska, testified in support of SB 102 and said it would immediately resolve Alaska's time zone issues, unlike SB 26, which relies on uncertain federal action. He urged passing SB 102 to align clocks with the sun and eliminate unnecessary delays.

[4:43:35 PM](#)

CHAIR KAWASAKI left public testimony open for SB 102.

[4:43:49 PM](#)

CHAIR KAWASAKI held SB 102 in committee.

**SB 26-ELIMINATE DAYLIGHT SAVING TIME**

[4:43:57 PM](#)

CHAIR KAWASAKI announced the consideration of SENATE BILL NO. 26 "An Act petitioning the United States Department of Transportation to change the time zones of Alaska; exempting the state from daylight saving time; and providing for an effective date."

[4:44:14 PM](#)

SENATOR KELLY MERRICK, District L, Alaska State Legislature, Juneau, Alaska, sponsor of SB 26 said this legislation would permanently exempt Alaska from daylight savings time and seek federal approval to move the state to Pacific Standard Time. She described it as the more practical, responsible option compared to SB 102, noting it has strong backing from tourism and banking industries for providing consistency and long-term benefits.

[4:46:30 PM](#)

KERRY KROCKER, Staff, Senator Kelly Merrick, Alaska State Legislature, Juneau, Alaska, provided the sectional analysis for SB 26:

[Original punctuation provided.]

#### Sectional Analysis

***"An Act petitioning the United States Department of Transportation to change the time zones of Alaska; exempting the state from daylight saving time; and providing for an effective date."***

**Section 1. Amends AS 44.12 - Exemption from Daylight Saving Time (AS 44.12.400)**

- Exempts the state of Alaska from the observation of daylight-saving time (DST).

**Section 2. Amends the Uncodified Law of the State of Alaska - Petition to the United States Department of Transportation to Change Alaska's Time Zone**

- Directs the Alaska State Legislature to formally petition the United States Department of Transportation (USDOT) to move the entire state of Alaska to the Pacific Standard Time (PST) zone.

- Requests the USDOT to initiate proceedings under the Uniform Time Act of 1966, following the procedural requirements for changing time zones.

### **Section 3. Conditional Effect of Section 1**

- States that Section 1 (the exemption from DST) will only take effect if the USDOT places the entire state of Alaska within the Pacific Standard Time zone on or before January 1, 2035.

[4:47:20 PM](#)

MR. KROCKER continued with the sectional analysis of SB 26:

### **Section 4. Immediate Effect of Section 2**

- Provides that Section 2, which initiates the petition to the USDOT, takes effect immediately upon the passage of the Act.

### **Section 5. Effective Date of Section 1**

- Specifies that if Section 1 (the exemption from DST) takes effect, it will do so on the effective date of the placement of all of Alaska into the Pacific Standard Time zone by the USDOT.

[4:47:58 PM](#)

CHAIR KAWASAKI held SB 26 in committee.

[4:48:23 PM](#)

CHAIR KAWASAKI opened public testimony on SB 26; he found none and kept public testimony open.

### **HB 121-ACCOUNTING; PRACTICE PRIVILEGE**

[4:48:52 PM](#)

CHAIR KAWASAKI announced the consideration of HOUSE BILL NO. 121 "An Act relating to the practice of accounting; and providing for an effective date."

[4:49:48 PM](#)

AMANDA NDEMO, Staff, Representative Calvin Schrage, Alaska State Legislature, Juneau, Alaska, presented the overview for HB 121 and moved to slide 2. She stated that Alaska faces a severe certified public accountant (CPA) shortage, with exam candidates down 30 percent nationwide since 2016. Current statutes create

unnecessary barriers, and HB 121 seeks to fix this by aligning state laws with national standards.

[4:50:30 PM](#)

MS. NDEMO moved to slide 3, Section Analysis Summary, and stated that HB 121 makes two key changes: lowers credit requirements for CPA licensure and allows out-of-state CPA firms to practice in Alaska through practice privilege. She said this aligns with prior legislative updates.

[4:50:55 PM](#)

MS. NDEMO moved to slide 4, Education Requirement, and stated that Alaska requires 150 credit hours and two years of experience for CPA licensure, forcing candidates to complete 30 credits beyond a bachelor's degree.

[4:51:20 PM](#)

MS. NDEMO moved to slide 5 and discussed the following:

[Original punctuation provided.]

#### **Education Requirement**

##### **HB 121:**

- Removes the 150 - credit hour requirement for CPA licensure (moving to a bachelors + two years of experience model).
- Retains essential qualification requirements
  - Passing CPA exam
  - Bachelor's degree with an accounting concentration
  - Two years of relevant experience

[4:51:44 PM](#)

MS. NDEMO moved to slide 6, Practice Privilege: Current requirements for out-of-state firms, and stated that HB 121 removes the requirement for out-of-state CPA firms without a physical office in Alaska to obtain a state firm permit, reducing administrative burdens while still allowing them to serve Alaskan clients.

[4:52:15 PM](#)

MS. NDEMO moved to slide 7 and discussed the following points:

[Original punctuation provided.]

#### **Practice Privilege**

**Current requirements for out-of-state individuals (AS 08.04.420 and 08.04.422)**

- Licensed to practice public accounting in another state
- The individual's licensing state satisfies substantial equivalency requirements to the qualifications required of an applicant for a license in Alaska.
- Principal place of business for the practice of public accounting is in that other state
- Consent to Alaska's jurisdiction and disciplinary authority of the board
- Assign home state's board as agent for service of process
- Do not need to provide notice, pay a fee, or submit documentation

CPA license: license granted by the state of application after all education, exam, and experience requirements have been met.

"Principal place of business" office location designated by an individual for the purposes of substantial equivalency and reciprocity. AS 08.04.680(17).

"Practice privilege" means a practice privilege authorized under AS 08.04.420. AS 0

MS. NDEMO said all the standards would be the same if Alaska implements current changes for out-of-state firms.

[4:53:09 PM](#)

MS. NDEMO moved to slide 9 and discussed the following:

[Original punctuation provided.]

**Benefits of HB 121**

Increases the pipeline of CPA candidates

MS. NDEMO said this is done by amending the education qualifications by lowering the credit hour requirements.

Encourages business growth and supports business needs

Regulatory oversight remains intact

Makes Alaska a more accessible market for accounting professionals.

[4:53:40 PM](#)

MS. NDEMO moved to slide 10, Public Protection, and stated that HB 121 ensures that high professional standards remain a central condition for granting practice privilege by requiring continued oversight from both the CPA's home-state Board of Accountancy and Alaska's Board of Public Accountancy. This dual accountability framework helps safeguard the quality and integrity of services provided to Alaskans. In addition, the bill strengthens the accounting profession, supports local businesses by creating reciprocal opportunities for firms and professionals, and positions Alaska to remain competitive in attracting and retaining qualified accounting talent.

[4:54:27 PM](#)

CHAIR KAWASAKI referenced the 120- and 150-credit requirements and asked whether the additional 30 credits must meet specific criteria or if the credits are generally accounting related courses.

[4:54:45 PM](#)

REPRESENTATIVE CALVIN SCHRAGE, District 12, Alaska State Legislature, Juneau, Alaska, sponsor of HB 121 replied that there are no specific requirements for the additional 30 credits. Students typically meet them either by taking extra, unrelated courses before committing to accounting, or by pursuing a master's degree after completing their bachelor's degree. He said many Alaska firms are concerned about losing prospective accountants to out-of-state programs and would prefer to keep candidates in state, combining education with on-the-job training.

[4:56:07 PM](#)

SENATOR BJORKMAN stated there's separate legislation that contemplates the idea of CPA's as conservators, without additional training. He asked how would reducing CPA education requirements affect the proposal to let CPAs serve as conservators without additional training.

[4:56:37 PM](#)

REPRESENTATIVE SCHRAGE replied that reducing CPA education requirements likely wouldn't affect their ability to serve as conservators, since the extra 30 credits are often unrelated to accounting. CPAs already gain significant financial expertise through their degree, exam, and job training. He noted he isn't an expert on conservatorship requirements.

[4:58:01 PM](#)

CHAIR KAWASAKI announced invited testimony on HB 121.

[4:58:30 PM](#)

BETH STUART, Office Managing Partner, Klynveld, PEAT, Marwick, Goerdeler (KPMG) LLC, Anchorage, Alaska, testified by invitation on HB 121. He shared his following testimony:

[Original punctuation provided.]

- Obtained my CPA license in 1996 and have maintained it in good standing since that time; nearly 30 years
- Appreciate consideration of HB121 in committee today.
- Accounting professionals around the country are concerned that the number of people entering the accounting profession is declining, and studies show this is in part because of the time and cost of education required beyond a bachelor's degree.
- The Alaska board of accountancy is not alone in trying to address the concern. There is a wave of legislation across states to remove those "soft 30" additional credit hours required over a bachelor's degree. As Rep Schrage mentioned, these 30 credit hours are not required to be in accounting, or even business. They could be credits in underwater basket weaving. We do not believe removing those 'soft 30' credits will have an impact on quality of CPAs.
- The other element of HB121 that is supported by the board relates to firm mobility. The purpose of this section is to conform Alaska's firm mobility laws with our existing individual mobility laws, moving to a mobility model widely recognized throughout the U.S. and recommended in the UAA.

[5:01:44 PM](#)

KAREN BREWER-TARVER, Chair, Alaska Society of Certified Public Accountants (AKCPA) Legislative Committee, Anchorage, Alaska, testified by invitation on HB 121. She shared her following testimony:

[Original punctuation provided.]

The AK SOCIETY of CPAS, overall mission is the promotion, upgrading, continuation and unification of the accounting profession. Society members are CPA licensed in Alaska, as well CPA candidates.

The AK SOC OF CPAs AK legislative committee meet and evaluated the changes proposed in HB 121. Our support of HB121 was provided to our SOCIETY board who have submitted a letter of support to the bill sponsors.

As previously shared regarding the education requirements for licensure:

- HB121 allows a modernized path to licensure, which will allow more candidates to become CPAs and be available to serve Alaska residents and businesses.
- Under the current statute employees working full time often put off finishing additional credits and reach the point of not pursuing licensure due to the challenge of working while finishing additional college credits. As a CPA firm owner, I can share there is a shortage of qualified accountants. Employees who get their bachelor's degree (120 credits) want to start working immediately- as their work responsibilities grow and personal obligations increase the challenge of gaining the additional 30 credits creates a barrier to pursuing their CPA license. The extra 30 credits also deters many accounting students from pursuing the CPA path and limits students entry into public accounting as many firms will not hire students without the 150 credits. If HB 121 were to pass this allows candidates to pursue their CPA licensure without the extra time and cost for the additional 30 credits.

On a personal note, my son is graduating from high school in May and plans to become a CPA - I am personally excited to let him know that he may only have 4 rather than 5 years of college.

As previously shared related to FIRM mobility:

- HB121 allows CPAs licensed from other states to serve clients in Alaska at a time when there is a looming shortage of available service providers.

5:04:09 PM

MS. BREWER-TARVER continued with her testimony on HB 121:

Firm mobility has been a long time project for Alaska STATE BOARD OF PUBLIC ACCOUNTANCY and the statute changes in the past were leading up to this change to align Alaska with other licensing jurisdictions. During my 8 years on the state BOARD OF PUBLIC ACCOUNTANCY we worked with the AICPA and other licensing jurisdictions to understand the impacts firm mobility and the AK SOCIETY SUPPORTS THIS BILL AND ALASKA ALLOWING FOR FIRM MOBILITY.

1.The changes noted in HB121 allow Alaska to align with model national legislation, but more importantly, changes that are being proposed and/or enacted currently in many other jurisdictions

2.HB121 will allow more candidates to become CPAs and be available to serve Alaska residents and businesses.

3.HB121 allows CPAs licensed from other states to serve clients in Alaska at a time when there is a looming shortage of available service providers.

4.HB121 does not diminish the existing public protection provisions contained in the Statutes and regulations for Alaska CPAs.

5:05:32 PM

CRISTA BURSON, President, Alaska Society of CPAs, Anchorage, Alaska, testified by invitation on HB 121. She shared her following testimony:

[Original punctuation provided.]

Chair Kawasaki and members of the Senate State Affairs committee my name is Crista Burson and I live in Anchorage and I am the President & CEO of the Alaska Society of CPAs. The Alaska Society of CPAs has over 600 members that include students, educators, and CPAs and accountants in both public and private practice. On behalf of our Board of Directors, the AKCPA would like to express our support of the changes proposed in HB 121. We are hopeful this legislation will assist in filling the CPA pipeline shortage.

Recently I met with accounting students and faculty at the University of Alaska Anchorage and the University Alaska Fairbanks and discussions included HB 121. Students were especially excited that the proposed changes would help them enter the profession without the additional expense and time.

Thank you for your continued efforts to protect the public interest and for ensuring that Alaska has CPA licensees to meet the current and future needs in Alaska.

[5:07:13 PM](#)

TOM NEILL, Chair, Uniform Accountancy Act Committee, American Institute of Certified Public Accountants (AICPA), Seattle, Washington, testified by invitation on HB 121. He stated that this legislation aligns Alaska's CPA licensing laws with the Model Uniform Accountancy Act, bringing consistency with national standards. Similar changes are already underway in 25 states, including Washington, Oregon, and California. HB 121 also updates firm mobility provisions, joining 37 other states that allow out-of-state CPA firms to practice without added permits.

[5:08:23 PM](#)

CHAIR KAWASAKI asked if most states were originally set at 150 credits and later reduced the requirement, or have they always required 120 credits.

[5:08:35 PM](#)

MR. NEILL replied that most U.S. states currently require 150 credit hours, though recent changes to the Uniform Accountancy Act aim to reduce that to 120. Since the extra 30 hours have no specific requirements, the national trend is shifting back to a four-year degree with an accounting concentration.

[5:09:28 PM](#)

CHAIR KAWASAKI opened public testimony on HB 121.

[5:09:43 PM](#)

THERESA OBERMEYER, representing self, Anchorage, Alaska, testified in support of HB 121 and stated that the concept of "practice privilege" originates from the legal field. She cited Wisconsin's diploma privilege and similar rules in Washington and Oregon that allow law graduates to practice without a bar exam. Drawing on decades of family experience in law, she expressed support for the bill and urged lawmakers to recognize the parallels between accounting and legal practice.

[5:11:58 PM](#)

CHAIR KAWASAKI closed public testimony on HB 121.

[5:12:11 PM](#)

CHAIR KAWASAKI held HB 121 in committee.

### **SB 35-DELIVERY NETWORK COMPANIES**

[5:12:23 PM](#)

CHAIR KAWASAKI announced the consideration of SENATE BILL NO. 35 "An Act relating to transportation network and delivery network companies."

[5:13:10 PM](#)

SENATOR BJORKMAN speaking as the sponsor of SB 35, he presented a brief recap:

[Original punctuation provided.]

SB 35 amends statutes related to workers compensation which will align individuals who provide delivery services through delivery network companies with individuals who provide services through Transportation Network Companies. The legislation will define these workers as independent contractors.

Currently, delivery network companies are not defined in statute, which has led to confusion and litigation across the country, threatening these services that customers value and depend on.

Roughly 90 percent of drivers work less than 10 hours per week. These drivers usually provide delivery

services to supplement their income, so they can work their full-time job, or go to school during the day, et cetera.

Most door dashers prefer to remain working as independent contractors so they can have the ability to work as much or as little as they want. Thank you for hearing Senate Bill 35 today.

[5:14:27 PM](#)

CHAIR KAWASAKI solicited the will of the committee.

[5:14:30 PM](#)

SENATOR GRAY-JACKSON moved to report SB 35, work order 34-LS0330\A, from committee with individual recommendations and attached fiscal note(s).

[5:14:46 PM](#)

CHAIR KAWASAKI found no objection and SB 35 was reported from the Senate State Affairs Standing Committee.

[5:15:24 PM](#)

There being no further business to come before the committee, Chair Kawasaki adjourned the Senate State Affairs Standing Committee meeting at 5:15 p.m.