

2-9-82

H/B 597

HOUSE LABOR & COMMERCE
STANDING COMMITTEE
February 9, 1982
1:11 p.m.

Members Present: Rep. Martin, Chairman
Rep. Bylsma, Vice-Chairman
Rep. Rogers
Rep. Gardiner
Rep. Randolph

Members Absent: No members absent.

COMMITTEE CALENDAR

HB 597 An Act relating to the sale of bread.

WITNESS REGISTER

Representative Ernie Haugen
Alaska State Legislature
Pouch V
Juneau, Alaska 99811
465-3712
Position Statement: Prime sponsor of HB 597; gave reasons for
introducing legislation.

Jess Garcia
Associated Grocers
3301 S. Norfolk
Seattle, Washington 98124
762-2100
Position Statement: Supported bill.

Peter Froehlich
Assistant Attorney General
Juneau, Alaska 99811
465-3600
Position Statement: Said Attorney General's office has no
position on bill.

Art Hammer
Hammer & Wikan
200 K Street
Petersburg, Alaska
772-4524
Position Statement: Supported bill.

Ralph Woll
Sunrise Bakery
95 Chain of Rocks Road
Eagle River, Alaska

277-3548

Position Statement: Opposed bill.

Jeff Barry
Committee Aide
House Labor & Commerce Committee
Pouch V
Juneau, Alaska 99811
465-3669

Position Statement: Gave results of research.

PREVIOUS ACTION

HB 597

No previous action.

Statutory Reference: AS 45.75

Action Taken During Meeting: Rep. Rogers moved, line 6, to delete word "bread" and insert word "food"; and insert, on line 11, statutes repealed, the following statutes: "AS 45.75.190(4), AS 45.75.250, AS 45.75.260, AS 45.75.270, AS 45.75.310". Representatives Martin and Bylsma objected. There was discussion of the amendment. Question was called: for--Gardiner, Rogers; opposed--Martin, Bylsma (Rep. Randolph had left the meeting at 1:30). Motion failed.

Rep. Gardiner moved to report bill from committee with individual recommendations. Motion passed unanimously.

ACTION NARRATIVE

Tape #011
Recording
Number 000

The meeting was called to order by Vice-Chairman Bylsma. Members present were: Representatives Bylsma, Randolph, Rogers, and Gardiner. Rep. Martin was absent when the meeting convened, but joined the meeting at 1:40. Rep. Randolph left the meeting at 1:30. Under consideration by the committee was HB 597 relating to the sale of bread.

Number 005

Representative Ernie Haugen, prime sponsor of HB 597, gave the reasons he felt the legislation was needed. There was discussion by the committee and Rep. Haugen of the current law and changes proposed. Rep. Bylsma asked how one could mark bread

which was unwrapped; Rep. Rogers responded.

Number 102

Jess Garcia, Associated Grocers, Seattle, testified about why he felt the law should be repealed. (Garcia submitted written testimony in the form of a letter to the committee; this is available from the committee.) Rep. Rogers asked Garcia his opinion of repealing the law in regard to other products, such as dairy products. Garcia had no objection to that.

Number 162

Peter Froehlich, Assistant Attorney General, on behalf of the Department of Law, said the Department had no position on the bill. He said the Law Department and Consumer Protection Agency have no problems with the repeal of the bill as long as labeling requirements are maintained. Rep. Rogers asked if consumers would still be protected if the practice of marking products is maintained. Froehlich said that was all that is necessary to protect the consumer. There was discussion among the committee. Rep. Rogers asked Rep. Haugen if he objected to extending the bill to include other sections (covering other foods); Rep. Haugen did not object.

Number 245

Art Hammer, owner of a store in Petersburg and member of Associated Grocers, supported the bill. He said he could buy bread from one supplier if that supplier complied with Alaska law; at present, he has to buy from several suppliers. He said under the present law, he could not purchase holiday breads, as they come in various weights. Upon questioning by Rep. Bylsma, Hammer said that Washington bakers have to switch pans to conform to Alaska laws; consequently, only a few bakers supply Alaska bread. He felt the bill would open the market to other suppliers. There was discussion.

Number 333

Ralph Woll, General Manager of Sunrise Bakery, Eagle River, opposed the bill. He said the result would be the result, such as "balloon bread"--bread which has much more air in it. He said that normally, bread is made with a ratio of 9 pounds of yeast to 100 pounds of flour; but balloon bread is made with 44 pounds of yeast to 100 pounds of flour. He said this would cause the price to drop, and Alaskan bakers could

not compete. He noted that consumers get less bread for the money in such a situation, and that this would not be good for Alaska. There was discussion.

Number 385

Rep. Gardiner asked if people weren't aware of this situation (balloon bread containing a lot of air) if the weight was marked. Woll said that consumers tend to look at price, not weight. After further discussion, Woll said that Washington and Oregon are the only states which don't have laws regulating bread, and went on to say that balloon bread is illegal in Washington. Garcia, who spoke previously, pointed out that balloon bread is normally labeled differently, eg, "giant", "large", etc. He was sure Alaska consumer protection laws would protect against this. Rep. Gardiner wanted a sample of balloon bread.

Number 474

Jeff Barry, committee aide, said his research showed that current Alaska law is based on national law. He said it was tied into the Consumer Price Index. In Washington, weights dropped, but prices remained the same. He felt this could affect the Alaskan Consumer Price Index. He said the committee should also consider the effect on the Alaskan market, as they will need new sizes of bread pans, considerable cash outlay to compete.

Number 534

Rep. Rogers said he did not see how the public is served by regulating bread.

Number 555

Rep. Rogers moved to amend the bill on line 6 by deleting the word "bread" and inserting the word "food"; and to add further sections to be repealed on line 11 by inserting "AS 45.75.109(4), AS 45.75.250, AS 45.75.260, AS 45.75.270, AS 45.75.310". He said this would repeal the restriction of bread weights and butter and dairy product units. Representatives Martin and Bylsma objected.

Number 625

There was discussion on the proposed amendment. Rep. Bylsma felt the amendment would require more research for people shopping for food, and would deceive the public. Rep. Martin said he objected because the amendment would make a fairly simple bill complex. There was discussion about packaging in sizes misleading to the

public.

The question was called. Voting for the amendment were Representatives Gardiner and Rogers; voting against the amendment were Representatives Martin and Bylsma. The amendment failed.

Side B, Number 010

Rep. Gardiner moved to report the bill from committee with individual recommendations. The motion passed without objection.

As there was no further business to come before the committee, the meeting was adjourned at 2:00 p.m.

Introduced: 5/29/81
Referred: Labor & Commerce

1 IN THE HOUSE

BY HAUGEN AND ROGERS

2 HOUSE BILL NO. 597

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the sale of bread."

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 * Section 1. AS 45.75.200 is amended by adding a new subsection to read:

9 (d) The marking provisions of this section do not apply to
10 unwrapped loaves of ^{feed} bread.

11 * Sec. 2. AS 45.75.250 is repealed.

12 AS. 45.75.190(4), AS 45.75.250, AS 45.75.260

13
14 .270,

.310

LABOR & COMMERCE COMMITTEE
DAILY COMMITTEE HEARING

Date: 2/9/82

Place: _____

<u>Members</u>	<u>Present</u>	<u>Absent</u>	<u>Time Arrived</u>	<u>Time Left</u>
Rep. B. Bylsma, V. Chair	✓		1:03	
Rep. D. Randolph	✓		1:10	1:30
Rep. B. Rogers	✓		1:03	
Rep. T. Gardiner	✓		1:11	
Rep. T. Martin, Chair	✓		1:40	

Subject Matter:

House Bill No. 597 _____

Senate Bill No. _____

Special Orders:

Rep. Haugen attending.

Randolph
Apr 1:30

2/9/82

- 000 Call to order by Bylsma (Martin absent)
- 005 Haugen, bill sponsor - gave reasons legislation is needed.
- 080 Rogers - read through law
- 094 Bylsma - gettin out marking unwrapped bread
Rogers - and's
- 102 Jess Garcia, Assoc's Grocers - submitted ltr ~~for~~
gave reasons he feels law needs to be repealed.
- 145 Rogers - wondered if law shd be repealed applying to
other products (dairy, etc). Garcia saw no problem
w/that.
- 162 Peter Fraelich, Asst AG, on behalf of Dept of Law. No
pos'n on bill; said Law Dept + Consumer Protection
have no probz w/ repeal of bill as long as labeling regms
maintained
- Rogers - consumers wd still be protected if marking products
is maintained? Fraelich - yes, that's all that's
necessary to protect consumer.

207 Haugen - comments

Rogers - "

225 Bylsma - ~~of~~ how do you label unmarked bread; is it pre-weighed? Faellich - sub (d) eliminates this issue

Rogers asked Haugen if he objected to extending to include other sections; Haugen didn't object.

245 _____ Hammer, owner of store in Petersburg ^{& if complied w/} Assoc. Grocers. Cd buy bread from 1 supplier if ^{state} law. Can't get holiday breads under present law. Supports bill, ~~including~~

276 Bylsma - gets att how it wd affect bread on the shelf

Hammer - Wash. bakers have to suitel. pans to conform to Alaska laws; only a few bakers supply Alaska bread. Wd open market to other suppliers.

Bylsma - why make 15 or 16 oz loaves if you to make people believe it's 16 oz.

Haugen - response

Discussion

333 Ralph Wall, Gen Mgr, Sunrise Bakery (part of ITT) - biggest bakery in Alaska. Opposes bill; eg, "balloon bread" - cheaper bread, alot of air (44# yeast to 100# flour; normal 9#: 100#). Price drops, Alaskan bakers can't compete. Less bread for the money. Not good for Alaska.

Discussion.

385 Gardiner - aren't people aware if the weight is marked?

Wall - they look at the price, not the weight.

Haugen - people can tell by looking at content.

Local bakers can't supply needs.

418 Rogers - this won't affect marketing balloon bread.

CD do this under current statutes.

Wall - response; Wash & Oregon only state w/o law.

balloon bread illegal in Wash.

444 Garcia - balloon bread normally labeled as something different ("giant" "large" etc). Sure Ak. consumer protection laws wd protect against this. Wd market same bread as sold in Wash.

Gardiner wanted sample of balloon bread.

474 Barry - results of research. Ak law based on nat'l law. Tied into CPI. In Wash, weights dropped, but prices remained the same. ^{CD} affect ~~AK~~ AK CPI. Shd consider affect on Alaskan market (new sized bread pans, inability to compete).

534 Rogers - doesn't see how public v. served by regulating bread, or any of the other restrictions

555 Amendment line 6, delete bread, use "food"

line 11 AS. 45.75.190 (4), 45.75.250, 260.270, .3.0 are repealed. Wd repeal restriction of bread weights, butter & dairy product units
Martin & Bylsma objected.

Bylsma - This wd require more research for shopping,
wd deceive the public.

625

~~Key~~ Discussion on amndmt.

Martin - object because will make, ^{fairly} simple bill complet.

Agrees w/ idea of amndmt. Deception in pkging. Likes
intent of amndmt, but feels we shd stick to bread.

~~Gardiner con~~

Discussion on packaging in sizes that wd
mislead

Bylsma felt amndmt bears looking into

Vote on amndmt

2 for, 2 against

Gord
Rogus

Martin
Bylsma

Side 2

Gardiner moved to pass bill out of committee.

010

Passed. w/ individual recommendations

2:00

Brian Rogers } Do PASS
Terry Penderic }

Martin } No see
Byloma }

FRESH GROUND BEEF			
DATE	PRICE/LB.	WEIGHT/LB.	TOTAL PRICE
2 982	\$ 179	099	\$ 177

LEAN GROUND BEEF			
DATE	PRICE/LB.	WEIGHT/LB.	TOTAL PRICE
2 982	\$ 219	148	\$ 324

BARBECUED CHICKEN			
DATE	PRICE/LB.	WEIGHT/LB.	TOTAL PRICE
2 982	\$ 250	056	\$ 140

COUNTRY SAUSAGE			
DATE	PRICE/LB.	WEIGHT/LB.	TOTAL PRICE
	\$ 129	149	\$ 192

JARLSBERG SWISS			
DATE	PRICE/LB.	WEIGHT/LB.	TOTAL PRICE
	\$ 369	144	\$ 531

Port Wine Cheese			
DATE	PRICE/LB.	WEIGHT/LB.	TOTAL PRICE
	\$ 349	059	\$ 206

Stuffed Shrimp			
DATE	PRICE/LB.	WEIGHT/LB.	TOTAL PRICE
2 982	\$ 698	027	\$ 188

Monterey Supreme			
DATE	PRICE/LB.	WEIGHT/LB.	TOTAL PRICE
2 982	\$		\$ 129

BARBECUED PORK RIBS			
DATE	PRICE/LB.	WEIGHT/LB.	TOTAL PRICE
2 982	\$ 315	071	\$ 224

SWEET N SOUR PORK			
DATE	PRICE/LB.	WEIGHT/LB.	TOTAL PRICE
2 982	\$ 359	067	\$ 241

GOURMET JUMBO PORK ROY			
DATE	PRICE/LB.	WEIGHT/LB.	TOTAL PRICE
2 982	\$		\$ 1098

FRESH GROUND BEEF			
DATE	PRICE/LB.	WEIGHT/LB.	TOTAL PRICE
2 982	\$ 179	146	\$ 261