

ALASKA LEGISLATIVE COUNCIL FILES 1901-1902 86/2
1755 HLC 4/6/82 HB 703 - 4/23/82 SB 630

Alaska State Legislature



MEMBERS:
TERRY MARTIN, CHAIRMAN
BERNARD BYLSMA, VICE CHAIRMAN
RICHARD RANDOLPH
TERRY GARDINER
BRIAN ROGERS

POUCH V
STATE CAPITOL
JUNEAU, AK 99811
PHONE (907) 485-3783

OFFICIAL BUSINESS

House of Representatives

LABOR AND COMMERCE COMMITTEE

To: All Interested Parties
From: Terry Martin, Chairman
House Labor & Commerce Committee
Date: March 18, 1982
Subject: HB 703

As I trust you are interested in legislation which will impact the communications media in the state of Alaska, I want you to be aware that HB 703, which deals with the use of communications media under the Administrative Procedure Act, will be heard by this committee on April 6 at 1:00 p.m. PST.

I have enclosed a copy of the workdraft committee substitute for HB 703 for your review. If you wish to comment, please send your testimony to the House Labor & Commerce Committee at Pouch V, Juneau 99811. You may also testify in person, if you so desire. (This hearing will not be teleconferenced.)

If you have questions or would like further information, don't hesitate to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Terry Martin".

Terry Martin, Chairman
House Labor & Commerce Committee

jfm

4-7-82

S B 552

S B 648

HOUSE LABOR & COMMERCE
STANDING COMMITTEE
April 7, 1982
1:13 p.m.

Members Present: Rep. Martin, Chairman
Rep. Randolph
Rep. Rogers

Members Absent: Rep. Bylsma, Vice Chairman
Rep. Gardiner

COMMITTEE CALENDAR

SB 552 An Act exempting certain child care workers
from the Alaska Wage and Hour Act.

SB 648 An Act relating to workers' compensation
coverage of certain persons providing
community work service.

WITNESS REGISTER

Patrick Conheady, Director
Pretrial Services
Department of Law
Pouch KT
Juneau, Alaska 99811
465-3678
Position Statement: Explained and supported CSSB 648 (L&C).

Bev Koski
Division of Risk Management
Pouch C
Juneau, Alaska 99811
465-2180
Position Statement: Explained state's current workers
compensation position.

Judy Knight
Department of Labor
Box 1149
Juneau, Alaska 99811
465-2700
Position Statement: Explained purpose of CSSB 648 (L&C).

PREVIOUS ACTION

SB 552 Senate Action: First reading 5/6/81.
Reported from Labor & Commerce 5/28/81.
Reported from Finance 3/18/82, with zero

fiscal note. Reported from Rules 3/22/82; taken up immediately. Finance committee substitute adopted by unanimous consent in second reading 3/22/82. Passed third reading 3/22/82.

House Action: First reading 3/22/82; assigned to Labor & Commerce.

Statutory Reference: AS 23.10.055

Action Taken: CSSB 552 (Fin) reported out of committee.

SB 648

Senate Action: First reading 1/12/82. Reported from Labor & Commerce 2/11/82. Reported from Rules 2/17/82; taken up immediately. Recommitted to Labor & Commerce by unanimous consent 2/17/82. Reported from Labor & Commerce 3/18/82. Reported from Rules 3/22/82; taken up immediately. Labor & Commerce committee substitute adopted by unanimous consent in second reading 3/22/82. Passed third reading 3/22/82.

House Action: First reading 3/22/82; assigned to Labor & Commerce.

Statutory Reference: AS 23.30

Action Taken: Amended; committee substitute adopted; HCS CSSB 648 (L&C) reported out of committee, with Finance referral requested.

ACTION NARRATIVE

Tape #56
Recording
Number 000

The meeting was called to order by Chairman Martin at 1:13 p.m. Members present were: Representatives Martin, Rogers, and Randolph. Representatives Bylsma and Gardiner were absent. Rep. Zharoff attended the meeting. Rep. Martin brought CSSB 648 (L&C) before the committee.

Number 010

Pat Conheady, director of Pretrial Services, Department of Law, said the bill was aimed at correcting problems encountered in community work service. He referred to letters he had given to the committee. He explained the problem the bill addresses,

and how this bill will correct the situation by defining those performing community work service at the direction of the state as employees of the state for purposes of workers compensation.

Number 042

There was discussion. Rep. Martin asked about the fiscal note. Conheady said a fiscal note would be extremely speculative, as it would be difficult to project costs. There was discussion of what type of work is performed, and by whom. Rep. Randolph was concerned that, as 2,000 people had worked over 50,000 hours with no workers compensation claims; he was concerned that making workers compensation available would encourage claims. There was discussion. Rep. Randolph asked exactly what could be claimed--whether it was just medical expenses, or if it would include wages and dependents coverage. Conheady referred the question to Judy Knight.

Number 177

Bev Koski of the Division of Risk Management explained the state's current workers compensation position. There was discussion of who uses voluntary work.

Number 235

Judy Knight, Department of Labor, said she had worked with the Department of Law on drafting of the bill. She said the main purpose of the bill is to provide offenders and pretrial individuals with more places to do community work service. She said the purpose of the bill is to limit the liability an employer would accrue in order to encourage more employers to take part in community work service programs. Knight said they had modeled this bill after a bill introduced to cover high school students in work study programs. She saw the bill reducing the state's liability, as it would limit the liability to workers compensation. There was discussion of liability.

Number 311

Conheady explained how post-conviction work service works. Rep. Rogers was concerned about attempts by people to get a workers compensation claim for the income. There was discussion of this aspect of potential abuses. Rep. Randolph asked if other approaches had been considered. There was discussion. Rep. Rogers said he would be more comfortable with workers compensation

covering medical expenses, and the tort system for wages. There was discussion of alternatives.

Number 450

Jeff Barry, committee aide, said that these people are not employees, so there is a question of their right to sue. He referred to a statute which sets out liability. Conheady disagreed with Barry's analysis, and went over case law regarding third parties.

Number 525

Rep. Rogers moved that sections 1 and 2 be replaced with sections limiting compensation to medical expenses only, with language to be drafted by the legislative lawyers. There was discussion. The motion passed without objection.

Number 645

Rep. Rogers moved, lines 6 and 7, to delete the language, "of certain persons providing community work service.", so that the title of the bill would read, "An Act relating to workers' compensation coverage.", and to add to the end of the bill the body of CSHB 159 (Fin). There was objection, and discussion. On the question: for--Rogers, Martin; opposed--Randolph. Motion carried.

Number 698

Rep. Rogers moved to report HCS CSSB 648 (L&C) out of committee. Motion passed without objection.

Number 700

Rep. Rogers moved to request an additional committee referral (to Finance committee). Motion passed without objection.

Side B, Number 000

Rep. Rogers moved to report CSSE 552 (Fin) out of committee. There being no objection, the motion carried.

Number 010

As there was no further business to come before the committee, the meeting was adjourned.

HOUSE LABOR & COMMERCE
STANDING COMMITTEE
April 8, 1982
1:14 p.m.

Members Present: Rep. Martin, Chairman
Rep. Bylsma, Vice Chairman
Rep. Randolph

Members Absent: Rep. Gardiner
Rep. Rogers

COMMITTEE CALENDAR

SB 548 An Act relating to the Medical Indemnity Corporation of Alaska (AS 21.88).
SB 611 An Act revising the criminal penalties for unlawful operation of an aircraft.

WITNESS REGISTER

Don Koch, Chief
Market Surveillance Section
Division of Insurance
Pouch D
Juneau, Alaska 99811
465-2577
Position Statement: Supported CSSB 548; gave background and explained bill.

William G. Brock
Medical Indemnity Corporation of Alaska (MICA)
1700 Angus Way
Juneau, Alaska 99801
586-3656
Position Statement: Explained need for bill.

PREVIOUS ACTION

SB 548 Senate Action: First reading 5/5/81.
Reported from Labor & Commerce 1/27/82.
Reported from Finance 3/17/82. Reported from Rules 3/18/82; taken up immediately. Recommitted to Rules by unanimous consent 3/18/82. Reported back out from Rules 3/22/82; taken up immediately. Finance committee substitute adopted in second reading by unanimous consent 3/22/82. Advanced to third reading and passed third reading 3/22/82.

House Action: First reading 3/22/82;
referred to Labor & Commerce.

Statutory Reference: AS 21.88; Sections 1
and 21(b), ch. 177, SLA 1978.

Action Taken: CSSB 548 (Fin) reported out
of committee.

SB 611

Senate Action: First reading 1/11/82.
Reported from Labor & Commerce 2/9/82.
Reported from Judiciary 2/25/82. Reported
from Rules 3/1/82; taken up immediately.
Passed second reading 3/2/81; advanced to
third reading and passed 3/1/82.

House Action: First reading 3/1/81. Labor
& Commerce Committee referral added 3/5/82.

Statutory Reference: AS 02.30.040; AS
02.35.120

Action Taken: Bill reported out with
individual recommendations.

ACTION NARRATIVE

Tape #57
Recording
Number 000

The meeting was called to order by Chairman
Martin at 1:14 p.m. Members present were:
Representatives Martin, Bylsma, and
Randolph. Representatives Rogers and
Gardiner were absent. Rep. Martin announced
Rep. Randolph's upcoming birthday.

Number 017

Rep. Martin brought CSSB 548 before the
committee for consideration.

Number 022

Don Koch, Division of Insurance, supported
the bill. He gave background and explained
what the bill does. He said: 1) it changes
the makeup of the board of governors of
MICA; 2) dates in the law are now obsolete,
so these were removed, and provided that
coverage for prior periods should be
available under certain conditions for a
fee; 3) language would permit writing
general liability coverages at the
discretion of the director; and, 4) the bill
deals with the director's ability to lower,
remove, or reinstate assessments.

- Number 084 William Brock, member of the board of governors and legislative committee member of MICA, explained assessability. He said there is also a provision allowing them to insure institutions (not doctors or hospitals) which provide care under the direction of medical doctors if the direction of the Division of Insurance thinks it appropriate. He cited examples (eg, Alaska Treatment Center in Anchorage).
- Number 145 Rep. Bylsma moved to report CSSB 548 (Fin) out of committee. There being no objection, the motion passed.
- Number 150 Rep. Martin then brought SB 611 before the committee. He gave background on the bill. There was discussion.
- Number 188 Jeff Barry, committee aide, reported progress on the Alaska Power Authority investigation. He went over a list of legislative subpoenas needed, and the reasons for the subpoenas. There was discussion of the need for subpoenas.
- Number 223 Rep. Randolph moved that subpoenas be prepared. There was discussion. There being no objection, the motion passed.
- Number 231 Rep. Bylsma moved that SB 611 be reported out of committee, with individual recommendations. There being no objection, the motion passed.
- Number 241 As there was no further business to come before the committee, the meeting was adjourned.

Absent:
Byloma
Gardiner

4/7/82

H. Labor & Commerce

Tape # 56

SB 552

SB 648

Zharoff here

1:13

000 Call to order
CSSB 648 (L+C) Conheady

010 Pat Conady, dir. pretrial svcs, dept law - aimed at
correcting probs encountered in comm wk svcs.

Referred to ltrs he had given committee.

Exp. in problem bill addresses & how this will
correct svcs by defining those performing comm wk
svcs at the direction of the state, as an employee
of the state for purposes of wkrs comp.

042

Discussion. Martin asked abt f/n - Conady said a
f/n wd be extremely speculative - difficult to
project costs. Discussion of what type of work is
performed, & by whom. Randolph was concerned,
as 2,000 people had wk'd over 50,000 hrs w/no claims,
he was concerned that making w/c available wd
encourage claims. Discussion.

Rep. Randolph asked exactly what cd be claimed -
whether it was just medical expenses, or if it wd
include wage & dependents coverage. Conady
deferred the q'n to Judy Knight.

177

Rep Koski, Div Risk Mgmt - explained state's ^{current w/c} position.

There was discussion of who uses voluntary work.

235

Judy Knight, DOL - wk'd w/Law Dept on drafting of bill.

Main purpose of bill is to provide offenders & pretrial
inmates w/ ^{more} places to do community wk svcs. Purp of
bill is to limit liability employer wd accrue.

Modeled after bill int'd to cover high school students in work study pgms. She sees bill reducing state's liability, as it limits liability to w/c. Discussion of liability.

311 Conedy ~~said post-conviction~~ people explained how post-conviction wk svc works. Rogers was concerned abt attempt by a person to get a w/c claim for income. There was discussion of this aspect of potential abuses. Randolph asked if other approaches had been considered. Discussion. Rogers said he'd be more comfortable w/ comp medical & tort wage. Discussion of alternatives.

450
415 Barry - 1) these are not employees, as there is govt of right to sue. He referred to a statute which ~~said~~ sets ~~state or employer~~ as far out liability. Conedy disagreed w/ Barry's analysis; went over case law regarding third parties.

525 Rogers moved, secs 1 & 2 be replaced w/ sections limiting comp to medical ^{expenses} only. Discussion. Passed w/o obj.

645 Rog- l. 6 & 7, delete lang^{and} insert ^{"of certain... wk svc."} ^{to end of bill body of} Fin CS HB 159. ^{Fin CS HB 159.} Objection. Discussion.

Qstrn: for, Rogers Martin opp'd Rand passed.

698 Rogers moved to report CS out; passed.

700 " " " add fin referral. Discussion. Passed.

Side B

000 Rog moved to report CS SB 552 (Fin) out of comm.
No obj, no passed.

010 Adjourned

SB 552 SENATE ACTION
DATE SEQ PAGE

09:44 4/14/82 PAGE 2 OF 3

LEGISLATIVE ACTION

05/06/81 01 0978
05/28/81 02 1237
03/18/82 03 0603
03/18/82 04 0603
03/22/82 05 0638

FIRST READING -- COMMITTEE REPORTS

L&C -- CS03

FIN -- CS04

F/NOTE EQUALS ZERO

RLS -- OTHER03

TAKEN UP IMMEDIATELY

03/22/82 06 0641
03/22/82 07 0641
03/22/82 08 0641
03/22/82 09 0641
03/22/82 10 0642

SECOND READING

FIN CS ADOPTED BY UNAN CONSENT

ADVANCED TO 3RD READING BY UNAN CONSENT

THIRD READING

PASSED BY DIV 16-00-04

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SB 552 HOUSE ACTION
DATE SEQ PAGE

09:44 4/14/82 PAGE 3 OF 3

LEGISLATIVE ACTION

03/22/82 11 0885
04/07/82 12 1173

FIRST READING -- COMMITTEE REPORTS

L&C -- DP01, NR02

FINANCE

RULES

LABOR & COMMERCE COMMITTEE
DAILY COMMITTEE HEARING

Date: 4/7/82

Place: _____

| <u>Members</u> | <u>Present</u> | <u>Absent</u> | <u>Time Arrived</u> | <u>Time Left</u> |
|--------------------------|----------------|---------------|---------------------|------------------|
| Rep. B. Bylsma, V. Chair | | | | |
| Rep. D. Randolph | _____ ✓ | _____ | 1:12 | |
| Rep. B. Rogers | _____ ✓ | _____ | 1:12 | |
| Rep. T. Gardiner | | | | |
| Rep. T. Martin, Chair | _____ ✓ | _____ | 1:00 | |

Subject Matter:

House Bill No. _____

Senate Bill No. 552 648 _____

Special Orders:

4-8-82

S B 548

S B 611

HOUSE LABOR & COMMERCE
STANDING COMMITTEE
April 8, 1982
1:14 p.m.

Members Present: Rep. Martin, Chairman
Rep. Bylsma, Vice Chairman
Rep. Randolph

Members Absent: Rep. Gardiner
Rep. Rogers

COMMITTEE CALENDAR

SB 548 An Act relating to the Medical Indemnity Corporation of Alaska (AS 21.88).

SB 611 An Act revising the criminal penalties for unlawful operation of an aircraft.

WITNESS REGISTER

Don Koch, Chief
Market Surveillance Section
Division of Insurance
Pouch D
Juneau, Alaska 99811
465-2577

Position Statement: Supported CSSB 548; gave background and explained bill.

William G. Brock
Medical Indemnity Corporation of Alaska (MICA)
1700 Angus Way
Juneau, Alaska 99801
586-3656

Position Statement: Explained need for bill.

PREVIOUS ACTION

SB 548 Senate Action: First reading 5/5/81.
Reported from Labor & Commerce 1/27/82.
Reported from Finance 3/17/82. Reported from Rules 3/18/82; taken up immediately. Recommitted to Rules by unanimous consent 3/18/82. Reported back out from Rules 3/22/82; taken up immediately. Finance committee substitute adopted in second reading by unanimous consent 3/22/82. Advanced to third reading and passed third reading 3/22/82.

House Action: First reading 3/22/82;
referred to Labor & Commerce.

Statutory Reference: AS 21.88; Sections 1
and 2(b), ch. 177, SLA 1978.

Action Taken. CSSB 548 (Fin) reported out
of committee.

SB 611

Senate Action: First reading 1/11/82.
Reported from Labor & Commerce 2/9/82.
Reported from Judiciary 2/25/82. Reported
from Rules 3/1/82; taken up immediately.
Passed second reading 3/2/81; advanced to
third reading and passed 3/1/82.

House Action: First reading 3/1/81. Labor
& Commerce Committee referral added 3/5/82.

Statutory Reference: AS 02.30.040; AS
02.35.120

Action Taken: Bill reported out with
individual recommendations.

ACTION NARRATIVE

Tape #57
Recording
Number 000

The meeting was called to order by Chairman
Martin at 1:14 p.m. Members present were:
Representatives Martin, Bylsma, and
Randolph. Representatives Rogers and
Gardiner were absent. Rep. Martin announced
Rep. Randolph's upcoming birthday.

Number 017

Rep. Martin brought CSSB 548 before the
committee for consideration.

Number 022

Don Koch, Division of Insurance, supported
the bill. He gave background and explained
what the bill does. He said: 1) it changes
the makeup of the board of governors of
MICA; 2) dates in the law are now obsolete,
so these were removed, and provided that
coverage for prior periods should be
available under certain conditions for a
fee; 3) language would permit writing
general liability coverages at the
discretion of the director; and, 4) the bill
deals with the director's ability to lower,
remove, or reinstate assessments.

- Number 084 William Brock, member of the board of governors and legislative committee member of MICA, explained assessability. He said there is also a provision allowing them to insure institutions (not doctors or hospitals) which provide care under the direction of medical doctors if the direction of the Division of Insurance thinks it appropriate. He cited examples (eg, Alaska Treatment Center in Anchorage).
- Number 145 Rep. Bylsma moved to report CSSB 548 (Fin) out of committee. There being no objection, the motion passed.
- Number 150 Rep. Martin then brought SB 611 before the committee. He gave background on the bill. There was discussion.
- Number 188 Jeff Barry, committee aide, reported progress on the Alaska Power Authority investigation. He went over a list of legislative subpoenas needed, and the reasons for the subpoenas. There was discussion of the need for subpoenas.
- Number 223 Rep. Randolph moved that subpoenas be prepared. There was discussion. There being no objection, the motion passed.
- Number 231 Rep. Bylsma moved that SB 611 be reported out of committee, with individual recommendations. There being no objection, the motion passed.
- Number 241 As there was no further business to come before the committee, the meeting was adjourned.

Absent:
Rogers
Hardiner

SB 548
SB 611

4/8/82
H. Labor & Commerce

Tape # 57

1:14

000 Call to order. Announced Randolph's b/d.

017 CS SB 548

000 Don Koch - supported bill; ^{gave background &} explained what bill does.

- 1) change makeup of bd of governors of MICA
- 2) dates in law are now obsolete; these were removed, & coverage for prior periods shd be avail under certain condns for a fee
- 3) ~~the~~ lang wd permit writing gen'l liability coverages at discretion of director
- 4) deals w/ director's ability to lower, remove, or reinstate assessments.

084 William Brook, member of bd of governors & on legislative committee of MICA. ^{Explained} ~~the~~ assessability. Said there is also provision allowing them to insure institutions (not drs or hospitals) which provide care under direction of medical doctors if dir of div of insurance thinks it appropriate. Cited examples (e.g. Treatment Ctr in Ane).

145 Bylsma moved to report CS SB 548 out. No obj, no passed.

150 SB 611 brought before comm. Martin gave background.
Discussion.

188 Barry ~~expl~~ reported progress on APA investigation. Went over list of legislative subpoenas needed, & reasons for subpoenas. Discussion of need for subpoenas.

003 Randolph moved subpoenas be prepared. Discussion. No obj, passed

231 Bylsma moved HB 611 be reported out w/und' rec. No obj, no passed.

241 Adjourned.

SB 611 SENATE ACTION
DATE SEQ PAGE

10:16 4/14/82 PAGE 2 OF 3
LEGISLATIVE ACTION

01/11/82 01 0005
02/09/82 02 0236
02/25/82 03 0388
03/01/82 04 0411

FIRST READING -- COMMITTEE REPORTS
L&C -- DP02, NR01
JUD -- DP03
RLS -- OTHER04
TAKEN UP IMMEDIATELY

03/01/82 05 0412
03/01/82 06 0412
03/01/82 07 0412
03/01/82 08 0412

SECOND READING
ADVANCED TO 3RD READING BY UNAN CONSENT
THIRD READING
PASSED BY DIV 17-00-02

*** ** **

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SB 611 HOUSE ACTION
DATE SEQ PAGE

10:10 4/14/82 PAGE 3 OF 3
LEGISLATIVE ACTION

03/01/81 09 0631
03/05/82 10 0701
04/12/82 11 1228

FIRST READING -- COMMITTEE REPORTS
L&C CMTE REFERRAL ADDED
L&C -- DP02, DNP01, OTHER01
JUDICIARY
RULES

| DATE | SEQ | PAGE |
|------|-----|------|
|------|-----|------|

LEGISLATIVE ACTION

| | | | |
|----------|----|------|---|
| 05/05/81 | 01 | 0959 | FIRST READING -- COMMITTEE REPORTS |
| 01/27/82 | 02 | 0130 | L&C -- CS03, NR01 |
| 03/17/82 | 03 | 0590 | FIN -- CS05 |
| 03/18/82 | 04 | 0606 | RLS --- OTHER03 TAKEN UP IMMEDIATELY |
| 03/18/82 | 05 | 0608 | RECOMMITTED TO RLS BY UNAN CONSENT |
| 03/22/82 | 06 | 0638 | RLS -- OTHER03 TAKEN UP IMMEDIATELY |
| 03/22/82 | 07 | 0640 | SECOND READING |
| 03/22/82 | 08 | 0640 | FIN CS ADOPTED BY UNAN CONSENT |
| 03/22/82 | 09 | 0640 | ADVANCED TO 3RD READING BY UNAN CONSENT |
| 03/22/82 | 10 | 0640 | THIRD READING |
| 03/22/82 | 11 | 0641 | PASSED BY DIV 16-00-04 |
| **** | ** | ** | *** *** *** |

| DATE | SEQ | PAGE |
|------|-----|------|
|------|-----|------|

LEGISLATIVE ACTION

| | | | |
|----------|----|------|--|
| 03/22/82 | 12 | 0885 | FIRST READING -- COMMITTEE REPORTS |
| 04/12/82 | 13 | 1228 | L&C -- DP03 |
| 04/12/82 | 14 | 1228 | F/NOTE EQUALS ZERO FINANCE RULES |

LABOR & COMMERCE COMMITTEE
DAILY COMMITTEE HEARING

Date: 4/8/87

Place: _____

| <u>Members</u> | <u>Present</u> | <u>Absent</u> | <u>Time Arrived</u> | <u>Time Left</u> |
|--------------------------------|----------------|---------------|---------------------|------------------|
| Rep. B. Bylsma, V. Chair _____ | ✓ | _____ | 1:14 | |
| Rep. D. Randolph _____ | ✓ | _____ | 1:08 | |
| Rep. B. Rogers _____ | | _____ | | |
| Rep. T. Gardiner _____ | | _____ | | |
| Rep. T. Martin, Chair _____ | ✓ | _____ | 1:08 | |

Subject Matter:

House Bill No. _____

Senate Bill No. 548 611 _____

Special Orders:

4-15-82

SB 752

SCR 46

HOUSE LABOR & COMMERCE
STANDING COMMITTEE
April 15, 1982
2:05 p.m.

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

Members Absent: Rep. Gardiner

COMMITTEE CALENDAR

SCR 46 Relating to Small Business Week.

SB 752 An Act relating to savings associations; and providing for an effective date.

WITNESS REGISTER

Eddie Turner, President
Peninsula Savings & Loan
Pouch 1000
Soldotna, Alaska
262-9166
Position Statement: Explained what SB 752 does.

Tom Lusk
Chief Bank Examiner
Division of Banking & Securities
Juneau, Alaska 99811
465-2521
Position Statement: Said SB 752 is cleanup legislation.

Dave Grey
Rainier Bank Corporation
no address or phone given
Position Statement: Requested SB 752 be held over for additional testimony.

Jim Hackett, Chairman
Legislative Affairs Committee
Alaska Banking Association
645 G Street
Anchorage, Alaska
349-1675
Position Statement: Explained how SB 752 would work, and compared it to existing statutes.

PREVIOUS ACTION

SCR 46

Senate Action: First reading 3/15/82. Moved from Labor & Commerce to Rules by unanimous consent 3/29/82. Reported from Rules 3/30/82. Taken up immediately 3/30/82; passed second and third readings 3/30/82.

House Action: First reading 3/31/82. Assigned to Labor & Commerce.

Statutory Reference: None.

Action Taken: Reported out of committee with unanimous do-pass recommendation.

CS SB 752 (L&C) am

Senate Action: First reading 2/11/82. Reported from Labor & Commerce 3/9/82. Reported from Rules 3/24/82; taken up immediately. Advanced to second reading 3/24/82. Labor & Commerce committee substitute adopted by unanimous consent 3/24/82. Postponed until 3/25/82 by unanimous consent. Amended, advanced to third reading, and passed 3/25/82, effective date vote same as passage.

House Action: First reading 3/26/82. Assigned to Labor & Commerce.

Statutory Reference: AS 06.30

Action Taken: Amended; further action postponed to 4/19/82.

ACTION NARRATIVE

Tape #58
Recording
Number C00

The meeting was called to order by Chairman Martin at 2:05 p.m. Members present were: Representatives Bylsma, Martin, Randolph, and Rogers. Rep. Gardiner was absent.

Number 010

Rep. Randolph moved to report SCR 46 out of committee with unanimous do-pass recommendation. There being no objection, the motion passed.

Number 016

Rep. Martin introduced CS SB 752 (L&C) am.

Number 021

Eddie Turner, president of Peninsula Savings & Loan of Soldotna, said the bill pertains only to savings and loans. He said his is

asked about the rest of the sections. Grey said the rest refer to commercial banks, but Section 4 refers only to savings and loans. There was discussion of what the proposed committee substitute does, and the committee went over the changes. Rep. Bylsma asked what eliminating sections does to the bill; Grey explained.

Number 363

Rep. Rogers questioned Grey's opposition to the new Section 4. Grey explained it would allow direct purchase of a bank, which is not part of interstate banking. He suggested a change.

Number 402

Rep. Martin asked Lusk to have his division evaluate the proposed committee substitute over the weekend.

Number 409

Jim Hackett, chairman of the legislative affairs committee, Alaska Bankers Association, explained how the bill would work and compared it to current statutes. He elaborated on related federal laws. Rep. Rogers asked if this would allow savings and loans to become holding companies to purchase banks. Hackett explained. He felt the provision was unnecessary. There was discussion.

Number 505

There was discussion of various provision in the bill.

Number 527

Rep. Martin said action would be postponed until the committee meeting on 4/29/82. Jeff Barry, committee aide, commented on how the bill could be changed. Rep. Martin said he felt uncomfortable about piggybacking bills. The issue was postponed until 1:00 Monday.

Number 556

Rep. Martin brought the committee up to date on proceedings in the Alaska Power Authority investigation. This was discussed. Barry explained what is being done on the Terror Lake project. There was discussion of the fiscal note submitted by Haywood, Division of Risk Management.

Number 728

Rep. Rogers moved a letter be sent to Speaker Hayes regarding confirmation of the governor's appointments, saying that no member had expressed opposition to the appointments, but that members reserved the

right to vote otherwise. He suggested looking at similar letters sent by Senate committees. There was discussion. Rep. Rogers asked unanimous consent. There being no objection, the motion passed.

Side B, Number 011

There being no further business to come before the committee, the meeting was adjourned at 2:50 p.m.

DATE SEQ PAGE

LEGISLATIVE ACTION

| DATE | SEQ | PAGE | LEGISLATIVE ACTION |
|----------|-----|------|--|
| 02/11/82 | 01 | 0268 | FIRST READING -- COMMITTEE REPORTS |
| 03/09/82 | 02 | 0493 | L&C -- CS02, NR02 |
| 03/24/82 | 03 | 0669 | RLS -- OTHER03 TAKEN UP IMMEDIATELY |
| 03/24/82 | 04 | 0671 | SECOND READING |
| 03/24/82 | 05 | 0671 | L&C CS ADOPTED BY UNAN CONSENT |
| 03/24/82 | 06 | 0671 | POSTPONED UNTIL 03/25/82 BY UNAN CONSENT |
| 03/25/82 | 07 | 0685 | AM01 ADOPTED BY UNAN CONSENT |
| 03/25/82 | 08 | 0685 | ADVANCED TO 3RD READING BY UNAN CONSENT |
| 03/25/82 | 09 | 0685 | THIRD READING |
| 03/25/82 | 10 | 0685 | PASSED BY DIV 20-00-00 |
| 03/25/82 | 11 | 0686 | EFFECTIVE DATE VOTE SAME AS PASSAGE |

**** ** **

*** ** *

DATE SEQ PAGE

LEGISLATIVE ACTION

| DATE | SEQ | PAGE | LEGISLATIVE ACTION |
|----------|-----|------|---|
| 03/26/82 | 12 | 0922 | FIRST READING -- COMMITTEE REPORTS LABOR & COMMERCE RULES |

**** ** **

*** ** *

SCR 46 SENATE ACTION
DATE SEQ PAGE

08:53 4/16/82 PAGE 2 OF 3
LEGISLATIVE ACTION

03/15/82 01 0575
03/29/82 02 0721
03/30/82 03 0729

FIRST READING -- COMMITTEE REPORTS
MOVED FROM L&C TO RLS BY UNAN CONSENT
RLS -- OTHER03
TAKEN UP IMMEDIATELY

03/30/82 04 0734
03/30/82 05 0734
*** ** **

SECOND READING
PASSED BY DIV 19-00-01
*** ** *

SCR 46 HOUSE ACTION
DATE SEQ PAGE

08:53 4/16/82 PAGE 3 OF 3
LEGISLATIVE ACTION

03/31/82 06 0982
04/15/82 07 1302

FIRST READING -- COMMITTEE REPORTS
L&C -- DP04
RULES
RULES

*** ** **

*** ** *

Absent:

SB 752

H. Labor & Commerce

Tape # 58

~~SB~~ SCR 46

2: 05

000 Call to order.

010 Rand moved to report SCR 46 out w/ unanimous do pass. No obj, passed.

016 Int'd CS SB 752 (L+C) am

001 Eddie Turner, pres Peninsula Savings & Loan. Pertains only to savings & loans - his outfit is the only one in the state. Explained what bill does.

054 Bylsma asked if he was only ~~save~~ s & l. He said only state chartered s & l. Randolph gotned ~~provision~~ ~~the~~ wording of line 9, p. 2, "his" spouse.

Randolph moved Discussion of how to word this.

078 Rand moved to change to "his or her". Passed w/o obj.

085 Tom Lusk, chief bank examiner, Div of Banking & Securities - bill is cleanup legislation to let state chartered s & ls to act in parity w/ fed's counterparts

102 Dave Greg, Rainier Bank Corp - asked committee to hold bill over until Monday for further testimony. Said if L+C wanted to move favorably on interstate govt, sections pertaining to loans wd have to be deleted.

145 ~~140~~ Rogers ~~to~~ recalled similar bills from prev yrs - felt change in bill title wd allow both interstate banking & savings issues to be combined. Discussion.

184 Bylsma had govt on what wd need to be deleted. Greg passed out copy of ~~the~~ his prop'd ^{CS} ~~change~~ & explained ~~his~~ what he referred to as the savings interstate banking bill in Senate L+C. Said he wanted a full blown hearing with public participation.

- 24d Randolph said issue has been substantially discussed in the legislature. favored a hrg early next week.
- 25d Rogers urged CS include sections 4-7 of original bill. He wd oppose interstate banking if it wiped out any portion of orig bill. Grey said Berrier recommended change as law might be challenged otherwise.
- 277 Eddie Turner said, ^{re} interstate banking bill, that sec 4 had been added & ~~referred~~ that it said they cd purchase a bank. He opposed that portion. Did not object to Senate banking bill. Bylsma asked abt rest of the sections. Grey said the rest refers to commercial banks, but sec 4 refers only to S&Ls. Discussion of what the prop'd CS does. Went over ~~to~~ changes. Bylsma asked what eliminating sections does to bill; Grey explained.
- 363 Rogers questioned ^{Grey's opp'n to} new Section 4. ~~the~~ Grey explained it wd allow direct purchase of a bank, which is not part of interstate banking. Suggested a change.
- 40a Martin asked Lusk to have his own evaluate prop'd CS over weekend.
- 409 Jim Hackett, chmn, leg affairs comm, Bankers Assoc(?) - ~~interstate banking relates to ability of state~~ explained how bill wd work, & compared it to current statutes. Elaborated on ^{related} federal laws. Rogers asked if this wd allow S&Ls to become holding cos to purchase banks. Hackett explained. K&P proven was unnecessary. Discussion.

- 488 Lusk commented on ^{recent} purchase of ~~the~~ ^{S&L} by bank holding co.
Discussion.
- 505 Grey said portion Murray objected to came from S&L institution.
Discussion.
- 527 Martin said action will be postponed until trg on Monday.
- 532 Barry commented on how bill can be changed.
- 541 Martin said he felt too uncomfortable about piggybacking bills.
Postponed issue until 1:00 Mon.
- 556 Martin brought comm. up to date on proceedings in APA
investigation. This was discussed.
- 632
~~666~~ Barry explained what is being done on Terror data project.
- 676 — discussion of fiscal note submitted by Haywood.
- 708 Rogers moved sending ltr to speaker, ~~asking~~ appts, saying no
member had expressed opp'n, but reserved right to vote
otherwise. Suggested looking at similar wording used
by Senate. Discussion. Asked unan consent; no
objection, mo passed.
- Side B
- 011 2:50 Adjourned

Alaska State Legislature



MEMBERS:
TERRY MARTIN, CHAIRMAN
BERNARD BYLSMA, VICE CHAIRMAN
RICHARD RANDOLPH
TERRY GARDINER
BRIAN ROGERS

POUCH V
STATE CAPITOL
JUNEAU, AK 99811
PHONE (907) 465.3733

OFFICIAL BUSINESS

House of Representatives

LABOR AND COMMERCE COMMITTEE

To: Speaker Joe Hayes
From: Terry Martin, Chairman
House Labor & Commerce Committee
Date: April 15, 1982
Subject: Confirmation of Governor's Appointments

The House Labor & Commerce Committee has considered the nomination of the following persons, and no objections have been stated to their confirmation:

| | |
|---|------------------------------|
| Board of Registration for Architects, Engineers and Land Surveyors | Robert B. Boswell |
| Board of Chiropractic Examiners | Linnea Burmeister |
| Occupational Safety and Health Review Board | Lew L. McFerren Lars Eide |
| Board of Veterinary Examiners | Val D. Stuve, DVM |
| Alaska Worker's Compensation Board | Morris M. Langberg |

This does not indicate an intention on the part of any Committee member to vote for or against confirmation of any individual listed above.

Terry Martin, Chairman

jm



Speaker of the House of Representatives

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-3720

Official Business

TO: Representative Terry Martin, Chairman
Labor and Commerce Committee

FROM: Speaker Joe Hayes *JMH*

DATE: March 19, 1982

RE: Confirmation of Governor's Appointments

The following names have been submitted by the Governor for confirmation. Please evaluate the nominees and conduct confirmation hearings as you deem necessary. Please submit your recommendations for action on the nominations by the House of Representatives as soon as possible.

State Board of Registration for Architects, Engineer and Land Surveyors
Robert B. Boswell, Fairbanks, term expiring 07/01/87

Board of Chiropractic Examiners
Linnea Burmeister, Nome, term expiring 07/15/82

Occupational Safety and Health Review Board
Lew L. McFerren, Skagway, term expiring 08/01/85
Lars Eide, Petersburg, term expiring 08/01/85

Board of Veterinary Examiners
Val D. Stuve, DVM, Fairbanks, term expiring 01/31/86

Alaska Worker's Compensation Board
Morris M. Langberg, Fairbanks, term expiring 07/01/84

Rep. Bylemn

Yes - NAY - COMMENTS

LABOR & COMMERCE COMMITTEE
DAILY COMMITTEE HEARING

Date: 4/15/82

Place: _____

| <u>Members</u> | <u>Present</u> | <u>Absent</u> | <u>Time Arrived</u> | <u>Time Left</u> |
|--------------------------|----------------|---------------|---------------------|------------------|
| Rep. B. Bylsma, V. Chair | ✓ | _____ | 2:03 | _____ |
| Rep. D. Randolph | ✓ | _____ | 2:03 | _____ |
| Rep. B. Rogers | ✓ | _____ | 2:14 | _____ |
| Rep. T. Gardiner | _____ | ✓ | _____ | _____ |
| Rep. T. Martin, Chair | ✓ | _____ | 1:55 | _____ |

Subject Matter:

House Bill No. 1 _____

Senate Bill No. 752 SCR 46 _____

Special Orders:

4-16-82

SB 816

SB 874

HOUSE LABOR & COMMERCE
STANDING COMMITTEE
April 16, 1982
1:20 p.m.

Members Present: Rep. Martin, Chairman
Rep. Bylsma, Vice Chairman
Rep. Gardiner

Members Absent: Rep. Rogers
Rep. Randolph

COMMITTEE CALENDAR

SB 816 An Act continuing the existence of the Real Estate Commission; and providing for an effective date.

SB 874 An Act continuing the existence of the Board of Electrical Examiners; and providing for an effective date.

WITNESS REGISTER

Mel Crogsen
real estate broker
Juneau, Alaska 99801
Position Statement: Explained need for amendment to SB 816.

Harry Treager, director
Division of Occupational Licensing
Department of Commerce
Pouch D
Juneau, Alaska 99811
465-2534
Position Statement: Supported continuance of Board of Electrical Examiners.

PREVIOUS ACTION

SB 816 Senate Action: First reading 2/22/82.
Reported from Labor & Commerce 4/13/82.
Reported from Rules 4/14/82; taken up immediately. Passed second reading 4/14/82; advanced to third reading by unanimous consent. Passed third reading, 4/14/82, effective date vote same as passage.

House Action: First reading 4/15/82;
assigned to Labor & Commerce.

Statutory Reference: AS 08.03.010(c)(18)
Action Taken: Committee substitute adopted, substituting body and title of CSHB 704 (L&C) for body of bill, and including an amendment offered by the Real Estate Commission. HCS SB 816 (L&C) reported from committee.

SB 874

Senate Action: First reading 3/25/82. Reported from Labor & Commerce 4/13/82. Reported from Rules 4/14/82; taken up immediately. Passed second reading 4/14/82; advanced to third reading by unanimous consent. Passed third reading 4/14/82, effective date vote same as passage.

House Action: First reading 4/15/82; assigned to Labor & Commerce.

Statutory Reference: AS 08.03.010(c)(14).

Action Taken: Bill reported out.

ACTION NARRATIVE

Tape #59
Recording
Number 000

The meeting was called to order by Chairman Martin at 1:13 p.m. Members present were: Representatives Martin, Bylsma, and Gardiner. Rep. Martin introduced SB 816 and referred to HB 704.

Number 010

Rep. Gardiner moved that CSHB 704 (L&C) be substituted for the body of SB 816. There being no objection, the motion passed.

Number 015

Rep. Martin explained a problem noted by the Real Estate Commission.

Number 023

Mel Crogsen, a local real estate broker, explained the need for the amendment, which was to cover the cost of hearings.

Number 033

Rep. Gardiner moved that the proposed amendment be adopted to the committee substitute just adopted. This was discussed. There being no objection, the motion passed.

Number 040

Rep. Gardiner moved that HCS SB 816 (L&C) be reported out of committee. There being no objection, the motion passed.

- Number 045 Rep. Martin brought SB 874 before the committee.
- Number 048 Harry Treager, director of the Division of Occupational Licensing, supported the continuance of the Board of Electrical Examiners. The bill and possible amendments were discussed.
- Number 064 Rep. Gardiner moved that SB 874 be reported out of committee. There being no objection, the motion passed.
- Number 068 Committee aide Jeff Barry announced an invitation by the Finance Committee to participate in their Saturday hearing. There was discussion of the progress on HCS SB 831 (L&C) and the APA investigation.
- Number 083 There being no further business to come before the committee, the meeting was adjourned at 1:20 p.m.

SB 816 SENATE ACTION
DATE SEQ PAGE

11:41 4/19/82 PAGE 2 OF 3

LEGISLATIVE ACTION

02/22/82 01 0352
04/13/82 02 0877
04/14/82 03 0899

FIRST READING --- COMMITTEE REPORTS
L&C -- DF04, NR01
RLS --- OTHER03
TAKEN UP IMMEDIATELY

04/14/82 04 0908
04/14/82 05 0908
04/14/82 06 0908
04/14/82 07 0908
04/14/82 08 0908

SECOND READING
ADVANCED TO 3RD READING BY UNAN CONSENT
THIRD READING
PASSED BY DIV 20-00-00
EFFECTIVE DATE VOTE SAME AS PASSAGE

*** ** **

*** ** **

SB 816 HOUSE ACTION
DATE SEQ PAGE

11:41 4/19/82 PAGE 3 OF 3

LEGISLATIVE ACTION

04/15/82 09 1290

FIRST READING -- COMMITTEE REPORTS
LABOR & COMMERCE
RULES

*** ** **
SB 874 SENATE ACTION
DATE SEQ PAGE

11:42 4/19/82 PAGE 2 OF 3

LEGISLATIVE ACTION

03/25/82 01 0683
04/13/82 02 0878
04/14/82 03 0899

FIRST READING -- COMMITTEE REPORTS
L&C -- DF04, NR01
RLS -- OTHER03
TAKEN UP IMMEDIATELY

04/14/82 04 0909
04/14/82 05 0910
04/14/82 06 0910

SECOND READING
ADVANCED TO 3RD READING BY UNAN CONSENT
THIRD READING

passed, ED vote same as passage

4/15 first reading

Introduced: 2/22/82
Referred: Labor & Commerce

1 IN THE SENATE

BY THE LABOR AND
COMMERCE COMMITTEE

2 SENATE BILL NO. 816

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act continuing the existence of the Real Estate
7 Commission; and providing for an effective date."

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

9 * Section 1. AS 08.03.010(c)(18) is amended to read:

10 (18) Real Estate Commission (AS 08.88.011) -- June 30, 1986

11 [1982].

12 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
13 070(c).

14
15 *Please prepare, in final, a ^{House} Labor & Commerce*
16 *committee substitute by substituting for this bill*
17 *the body ^{a title} of CSHB 704 (L&C), attached, & also*
18 *including the attached amendment offered by the*
19 *Real Estate Commission. If you have questions, please*
20 *call.*

21
22 *Joan Mathews*
23 *H. Labor & Commerce*
24 *465-3657*
25
26
27
28
29

To: Representative Terry Martin
Chairman, Labor and Commerce Committee

From: Real Estate Commission

Re: Senate Bill 816

Date: April 15, 1982

We request the following amendment be added by your committee to SB816.

8.88.455(c) Costs directly incurred in hearing claims may be charged against the fund. Amounts received from licensees against whom claims are paid, including such costs shall be redeposited into the surety fund.

Requires \$50,000 appropriation from surety fund for FY83 hearing officer costs.

LABOR & COMMERCE COMMITTEE
DAILY COMMITTEE HEARING

Date: _____

Place: _____

| <u>Members</u> | <u>Present</u> | <u>Absent</u> | <u>Time Arrived</u> | <u>Time Left</u> |
|--------------------------|----------------|---------------|---------------------|------------------|
| Rep. B. Bylsma, V. Chair | ✓ | _____ | 1:12 | |
| Rep. D. Randolph | | | | |
| Rep. B. Rogers | | | | |
| Rep. T. Gardiner | ✓ | _____ | | |
| Rep. T. Martin, Chair | ✓ | _____ | 1:13 | |
| | | _____ | 1:00 | |

Subject Matter:

House Bill No. _____

Senate Bill No. _____

Special Orders:

Absent:
Rogers
Randolph

4/16/80

SB 816
SB 874

Tape # 59

1:13

- 000 Call to order. Intro to SB 816 & ref to HB 704
- 010 Yard moved CS HB 704, ^{loc} be sub'd ^{for} SB 816; no obj, passed.
- 015 Martin explained a prob noted by Real Estate Commn.
- 023 Mel ^{Crossen} ~~Carson~~, Real Estate broker, explained need for amendt.
— covers cost of hearings
- 033 Yard moved amendt be adopted to CS just adopted.
Discussion. No obj, passed.
- 040 Yard moved to report CS out; no obj, passed.
- 045 Intro of SB 874
- 048 Harry Treason, dir, div cell licensing — supported
continuance of elect examiners
- 052 Discussion of bill & possible amendts
- 064 Yard moved SB 874 out of comm; no obj, passed.
- 068 Barry announced Finance invitation to participate in hrg
on HCS SB ~~874~~ ⁸⁵¹ (?) tomorrow. Discussion of progress.
- 083 1:20 Adjourned

4-19-82

SB 752

HOUSE LABOR & COMMERCE
STANDING COMMITTEE
April 19, 1982
12:14 p.m.

Members Present: Rep. Martin, Chairman
Rep. Bylsma, Vice Chairman
Rep. Randolph

Members Absent: Rep. Rogers
Rep. Gardiner

COMMITTEE CALENDAR

SB 752 An Act relating to savings associations; and
providing for an effective date.

WITNESS REGISTER

Senator Rodey
Alaska State Legislature
Pouch V
Juneau, Alaska 99811
465-3717

Position Statement: Explained bill and why legislation will
benefit Alaska.

Tom Lusk
Chief Bank Examiner
Division of Banking & Securities
Juneau, Alaska 99811
465-2521

Position Statement: Did not oppose bill.

Bob Lowe, Chairman
Peoples Bank & Trust
807 G Street
Anchorage, Alaska
338-3613

Position Statement: Supported interstate banking.

Jim Hackett, Chairman
Legislative Affairs Committee
Alaska Bankers Association
400 West 76th, #113
Anchorage, Alaska
349-1675

Position Statement: Association supported bill.

Eddie Turner
Peninsula Savings & Loan
Pouch 1000

Soldotna, Alaska
262-9166
Position Statement: Supported bill.

Gene Erskine, president
Unicorp
owners of United Bank Alaska
645 "G" Street
Anchorage, Alaska
276-1911
Position Statement: Supported concept of interstate banking.

Arnold Espe, Chairman
Alaska Pacific Bank Corporation
PO Box 420
Anchorage, Alaska
276-0002
Position Statement: Supported bill because they are convinced it
will happen at federal level.

PREVIOUS ACTION

SB 752 See minutes of meeting of 4/15/82.

Statutory Reference: (HCS CSSB 752 L&C) AS
06.30; AS 06.05.

Action Taken: Committee substitute adopted;
amended; and reported out of committee.

ACTION NARRATIVE

Tape #60
Recording
Number 000

The meeting was called to order by Chairman
Martin at 12:14 p.m. Members present were:
Representatives Martin, Bylsma, and
Randolph. Representatives Rogers and
Gardiner were absent. Rep. Martin brought
SB 752 and the proposed committee substitute
before the committee, and explained what had
happened to date on the legislation.

Number 008

Senator Rodey commented on the interstate
banking aspect of the committee substitute.
He said the benefits of interstate banking
to Alaska would be: greater capital
available; greater competition among
financial institutions; a greater variety of
services would be offered; and that
competition and the use of electronic
services would slow the rise in service

costs. He said the on the whole, there was strong public interest in seeing interstate banking in Alaska. Sen. Rodey said the only criticism being made is that some deposits will leave Alaska. He said this would not happen, and explained why. He said that interstate banking would provide a greater source and a greater variety of sources of capital, which would be good for the consumer.

Number 054

Rep. Bylsma asked Sen. Rodey's opinion of the committee substitute. Sen. Rodey said the language in the bill should be very carefully and skillfully drafted. He said the committee substitute uses the best language in this area. He offered the assistance of his staff in checking the language of the committee substitute to be sure it is correct.

Number 066

Rep. Martin said some people were saying that some national banks might have an advantage over others in being aware of the legislation. He asked if there was possibility of providing a grace period. Sen. Rodey said that anyone interested in acquiring an Alaskan bank could do so, and that it would be wrong to regulate the market. This was discussed.

Number 105

Rep. Martin asked how the public would perceive the legislation. Sen. Rodey said there should be no problem; that bringing national companies to Alaska was good for us and should be encouraged.

Number 130

Tom Lusk, Chief Bank Examiner for the Division of Banking & Securities, gave an overview of the committee substitute. He said they did not oppose the bill. There was discussion. Lusk said the Attorney General had recommended the bill title, and that the change was made at the AG's suggestion. There was discussion.

Number 154

Bob Lowe, chairman of Peoples Bank, said that Sen. Rodey had covered the points he wished to make. He felt that, with interstate banking, the infusion of capital would enable his bank to branch in areas which would allow them to be competitive. He said growth is currently limited to what they can generate through internal earnings.

Lowe said the ability of small banks to grow is limited by capital. He felt that the interstate banking system would bring in this capital. He said it would lessen the cost of services and interest rates. He said it also brings sophistication and expertise not currently being provided. Lowe said he had heard the argument raised that these banks would drain off deposits. He said this was not the case: he said the banks are looking for a market for loans, and that they would bring in capital, which would benefit the consumer. Lowe said that competition would strengthen the banking system. Lowe said that another argument is that local control of banking institutions would be lost. Lowe said there is currently no ready market for bank stocks, and that interstate banking would provide this. He said, regarding local control, that he believes small banks will be operated as subsidiaries. Lowe explained how it would impact his bank.

Number 261

Jim Hackett, chairman of the Legislative Affairs Committee of the Alaska Bankers Association, said the Association fully supports the idea of interstate banking. He said it already exists in some cases, and gave examples. Hackett said the issue relates to ownership of existing franchises by out of state holding companies. He said the Association supports the change, as it will open competition; will allow the continued existence of the identity of franchises within the state; allows for the infusion of additional capital and additional deposits; provides greater customer services; and that the interests and knowledge of Alaska would substantially increase. Hackett said the Association supports interstate banking, and supports a wide open approach to banking in Alaska, with few constraints. He said the potential change in statute has been widely publicized throughout the country, and that few banks would be unaware of the opportunity to purchase Alaska banks.

Number 331

Rep. Randolph asked what the negatives would be, from a consumer point of view. Hackett found it difficult to see any negatives. He said that competition for consumer services would increase, which would be positive.

- Number 355 Eddie Turner, Peninsula Savings & Loan, said that the proposed committee substitute addressed all his concerns except one, which was that, in Section 3, the reference to "his" spouse should be changed to "his or her". Regarding what the bill would do for consumers, Turner said that competition would benefit the consumer, and illustrated this view. Turner said he strongly supported the concept of the bill.
- Number 393 Rep. Martin questioned why language in Section 2 had been changed from "shall" to "may". Turner said the changes were needed to make stockholder records more confidential.
- Number 413 Gene Erskine, president of Unicorp, which is the holding company that owns United Bank Alaska, said the owners of Unicorp and management support the concept of interstate banking. He elaborated on why they supported this.
- Number 447 Arnold Espe, chairman of Alaska Pacific Bank Corporation, said they support interstate banking because they are convinced that it will happen at the federal level. He explained. Espe said he feared that Alaska would be declared contiguous to Washington state if the federal government made the changes in law.
- Number 468 Rep. Martin said he had heard that the state of Maine had turned down similar legislation, and asked if anyone knew why. Senator Rodey said it was passed by the Senate, but failed in the House, and that the legislation would not be of as much benefit to Maine as it would to Alaska. Sen. Rodey agreed with Espe that interstate banking was coming. There was discussion. Rep. Randolph said if the federal government does it, it might not be in our interest. He felt we should get into the system ahead of the feds, as there would be more benefits to derive than if we waited.
- Number 513 Rep. Randolph requested more explanation of the overall philosophy of the committee substitute. Sen. Rodey said, regarding the savings and loan bill portions of the bill, that it would put Alaska chartered savings and loans in parity with federal law, so

that all such institutions would be treated equally. Sen. Rodey said the second part of the bill provides language to meet the requirements of the Douglas amendment, allowing bank holding companies to come into the state and acquire banks. Rep. Randolph asked if previous testimony had been on the committee substitute. It was agreed that it had been. Jeff Barry, committee aide, said the Section 10 was an oversight in drafting; amendments were discussed.

- Number 593 Rep. Randolph moved to accept HCS CS SB 752 (L&C). There being no objection, the motion passed.
- Number 602 Rep. Randolph moved, on page to, to add "or her" to the phrase, "his spouse". There being no objection, the motion passed.
- Number 614 Rep. Bylsma moved that a new Section 10 be inserted, being the same as the old Section 7; and that the existing Section 10 be renumbered. There being no objection, the motion passed.
- Number 630 Rep. Randolph moved that HCS CSSB 752 (L&C) be reported out of committee, as amended. There being no objection, the motion passed.
- Number 638 As there was no further business to come before the committee, the meeting was adjourned at 12:56 p.m.

Absent:
Rogers
Hardiner

SB 752
~~SB 756~~

H. Labor & Commerce
4/19/82

Tape # 60

12:14

Sen. Rodey attended.

000
008

Call to order; int'd SB 752 & prop'd CS. Have background.

Sen Rodey commented on interstate banking aspect of CS.

- greater capital avail
 - " competn among fin's instns
 - " variety of services offered
 - comptn & use of electronic svcs will slow rise in svcs costs
-) benefits of interstate banking

On whole, strong pub interest in seeing interstate banking in Ak.

Only criticism is some deposits will leave Ak - this will not happen. Explained.

Int. bankg will provide greater source & variety of sources of capital. - good for consumer.

054 Byersma asked opn of CS. Rodey said lang in bill shd be drafted very carefully & skillfully. Said CS uses best lang in this area. Requested comm work w/ his staff to be sure lang is correct.

066 Martin said some people said ^{some} nat'l banks might have advantage over others. Asked if there was possibility of providing grace period. Rodey said anyone interested in acquiring Akn bank cd do so; wd be wrong to regulate market. Discussion.

105 Martin asked if this wd cause harm; asked how public wd perceive legis'n. Rodey said there shd be no problem. Said bringing nat'l companies to AK was good for us & shd be encouraged.

130 Tom Lusk, ^{chief bank examiner} ^{overview of} ~~and~~ CS - did not oppose bill. Discussion. Said AG said this is how bill wd have to be titled; said change was made at his suggestion. Discussion.

154 Bob Low ^{Chmn Peoples Bank -} Sen Rodey covered pts well. Explained pos'n of his bank. ~~Interested~~ feel that w/ int. Ukg - infusion of capital wd enable his bank to branch in areas in order to be competitive. Growth is currently limited to what they can generate th/ internal earnings. Ability of small banks to grow is limited by capital; int Ukg system brings in this capital. Will lessen cost of svcs & % rates; also brings sophistication & expertise not currently being provided. Heard argument raised that their banks will drain off deposit; not the case - they're looking for market for loans, bringing in capital. Will benefit consumer. Competition will strengthen banking system. Another argument is we'll lose control of local banking instns - ~~some~~ currently no ready market for bank stocks - int Ukg will provide this. Re local control, plus small banks will be operated as subsidiaries. Explained how it wd impact his bank.

- 261 Jim Hackett, At Bankers Assoc - Bks Assoc fully supports idea of intst bkg. Said it already exists in some cases. Issue relates to ownership of existing franchises by out of state holding cos. Assoc supports chng:
- will open competn
 - allows continued existence of identity of franchises w/in state
 - allows for infusion of add'l capital & add'l deposits.
 - greater customer services
 - interests & knowledge of ak wd substantially increase.

Assoc supports interstate bkg, support wide open approach to bkg in ak w/few constraints. Pot'l chng has been widely publicized th/out country.

- 331 Randolph - for consumer pt of view, what are negatives. Hackett found it difficult to see negatives. ~~Outside banks~~ ~~wd~~ have competn for consumer sees wd increase, which is positive. Transition period may be negative, but not very.
- 355 Eddie Turner - Penin S & L - Martin said there was tentative prob last mtg, asked if it had been resolved. Turner said prop'd CS solved all but one item: Sec 3 - his "or her". Re what it wd do for consumer - competn wld benefit consumer. Gave example. Strongly supports concept of bkg.
- 393 Martin asked abt chng in sec 3 ("shall" to "may") - Turner elaborated on why chngs were needed. - to make stockholder records more confidential.

- 413 Gene Erskine - pres, Unicorp, holding co that owns United Bank Alaska - ~~speaking~~ owners of Unicorp support concept of intot bkg. Elaborated. Mgmt supports concept because they can make alliances to bring in expertise, ~~services~~, & good bankers. need oppo to make alliances to bring in new thinking & new technology.
- 447 Arnold Esbee, chm, Ak Pac Bank Corp - support intot bkg because they're convinced it will happen at fed'l level. Explained. Fear that ak will be declared contiguous to Wash state.
- 468 Martin asked - heard state of Maine turned down similar legislation, asked if anyone knew why. Sen Rodey said it failed in H., was passed by S. - didn't have as much benefit to Maine as it does to Ak. Rodey agreed w/ Esby that intot bkg was coming. Discussion. Randolph said if fed'l do it, it might not be in our interest.
We should get into system ahead of fed'l - more benefits to derive than if we wait.
- 513 Rand ~~now~~ asked for more explain of CS; ^{overall philosophy of CS} Barry gave overview. Martin noted change in underlining (typo errors) - Sen Rodey said, re S&L bill - puts them on parity w/ fed'l law. Second pt of bill ab provides lang to meet regmts of Douglas and not allowing bank holding cos to come into state & acquire banks. Kind asked if prev testimony had been on CS; it was agreed that it had been. Barry said sec 10 was oversight in drafting.
- 593 Rand moved to accept HCS (SSB 752 (L&C)); no obj., passed.

600 ~~Matter~~ R moved, p. 2, to add "or her" sponsor.
No obj, passed.

614 B moved, ^{winding} sec 10 ~~to~~ be deleted

AS. 06.30.555 (b)(4) is repealed &
renumber following sections accordingly.

No obj, passed.

630 R moved bill out; no obj, passed.

638 10:56 Adjourned.

LABOR & COMMERCE COMMITTEE
DAILY COMMITTEE HEARING

Date: 4/19/82

Place: _____

| <u>Members</u> | <u>Present</u> | <u>Absent</u> | <u>Time Arrived</u> | <u>Time Left</u> |
|--------------------------|----------------|---------------|---------------------|------------------|
| Rep. B. Bylsma, V. Chair | _____ ✓ | _____ | 12:02 | |
| Rep. D. Randolph | _____ ✓ | _____ | 12:14 | |
| Rep. B. Rogers | _____ | _____ ✓ | _____ | _____ |
| Rep. T. Gardiner | _____ | _____ ✓ | _____ | _____ |
| Rep. T. Martin, Chair | _____ ✓ | _____ | 12:00 | |

Subject Matter:

House Bill No. _____

Senate Bill No. 752 ~~756~~ _____

Special Orders:

Sen. Rodey attended.

Please prepare HCS (L&C)
for CSSB 752 (L+C) am.

If you have
questions, contact
Jeff Barry,
H. Labor & Commerce
X3669

HCS for CS FOR SENATE BILL NO. 752 (L&C)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE - SECOND SESSION
A BILL RELATING TO

For an Act entitled: "An Act relating to financial
institutions; and providing
for an effective date."

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

* Section 1. AS 06.30.115 is amended to read:

Sec. 06.30.115. ACCESS TO BOOKS AND RECORDS OF ASSOCIATION.

(a) Every member or stockholder may inspect the books and records of an association which pertain to his loan, [OR] savings account, or voting rights.

(b) Except as provided in (a) [AND (c)] of this section, the right of inspection and examination of the books and records is limited to (1) the commissioner or his authorized representatives as provided in this chapter, (2) persons authorized to act for the association, and (3) any federal instrumentality or agency authorized to inspect or examine the books and records of an insured association.

[(c) IN STOCK ASSOCIATIONS EVERY STOCKHOLDER MAY INSPECT THE GENERAL BOOKS AND RECORDS OF THE ASSOCIATION EXCEPT A STOCKHOLDER MAY NOT HAVE ACCESS TO THE LOAN AND SAVINGS RECORDS OF OTHER MEMBERS.]

* Sec. 2. AS 06.30.120 is amended to read:

Sec. 06.30.120. BOOKS AND RECORDS [PERTAINING TO MEMBERS' ACCOUNTS] TO BE KEPT CONFIDENTIAL. Except as provided in AS 06.30.115, the [THE] books and records pertaining to the accounts, [AND] loans, and voting rights of members, stockholders, savers, and borrowers shall be kept confidential by the association, its directors, officers and employees, and by the commissioner, his examiners and representatives, except where disclosure is compelled by a court of competent jurisdiction. Except as provided in AS 06.30.115, no [NO] person, including a member or stockholder may

[SHALL] have access to the books and records or [SHALL] be furnished [OR SHALL POSSESS] a partial or complete list of the members or stockholders except upon express action and authority of the board of directors.

* Sec. 3. AS 06.30.145(b) is amended to read:

(b) In a stock association each director shall own individually or jointly with his ^{or her} spouse [IN HIS OWN RIGHT] free of any encumbrance capital stock of the association in an amount equal to at least \$1,000 in par value.

* Sec. 4. AS 06.30.500(3) is amended to read:

(3) Except for participation loans authorized under AS 06.30.530, no [NO] investment may be made in a conventional loan secured by a mortgage on a one-to-four family residence unless the mortgaged property is located inside the state.

* Sec. 5. AS 06.30.520 is amended to read:

Sec. 06.30.520. PROPERTY IMPROVEMENT AND CONSUMER LOANS. An association may make property improvement loans to property owners for maintenance, repair, modernization, improvement, and equipment of their properties. In addition, an association may make consumer loans. A property improvement or consumer loan may be made with or without security and may be secured by liens on real estate and mobile homes. An association may not make property improvement loans exceeding 25 percent of its assets or consumer loans exceeding 40 percent of its assets.

* Section 6. AS 06.05.235(a) is amended to read:

(a) Except as provided in (b) or (c) of this section it [IT] is unlawful for a company to own, control or hold with power to vote 25 percent or more of a class of voting securities or other [THE] capital stock of one or more state banks or domestic [STATE] bank holding companies subject to regulation under this chapter. [NOTHING IN THIS SUBSECTION PROHIBITS A COMPANY FROM QUALIFYING AS A BANK HOLDING COMPANY UNDER (b) OF THIS SECTION.] However, when it becomes a bona fide necessity to avoid loss for a creditor to accept shares of stock in one or more state banks or domestic bank

holding companies constituting more than 25 percent of the ownership or control of a state bank or domestic bank holding company in payment of indebtedness owing to the creditor, shares of stock may be accepted, but the shares of the one or more state banks or domestic bank holding companies exceeding that 25 percent shall be promptly disposed of under the supervision of the department.

* Sec. 7. AS 06.05.235(b) is amended to read:

(b) A domestic bank holding company, as defined in AS 06.05.540 and organized under AS 10.05, which maintains its principal office and place of business in the state and conducts its principal operations in the state, may acquire and own all or any portion of the voting securities [SHARES] or other capital stock of, or all or substantially all of the assets of, one or more banks or bank holding companies unless the bank is a recently formed bank. The department may require a domestic bank holding company to post a bond with the department in an amount equal to the paid-in capital and paid-in surplus represented by the proportion of state bank stock directly or indirectly owned, held, or controlled by it, under conditions the department may prescribe, to assure full protection of the public. The domestic bank holding company is subject to an examination by the department or a competent person designated by the department when the department considers it necessary, but not less than once each year. The domestic bank holding company shall pay an examination fee in accordance with AS 06.01.010.

* Sec. 8. AS 06.05.235(c) is amended to read:

(c) The department may adopt regulations for [BANK HOLDING] companies qualifying as domestic bank holding companies or out-of-state bank holding companies under (b) or (e) of this section to assure financially sound banking organization and practice.

* Sec. 9. AS 06.05.235 is amended by adding new subsections to read:

(e) An out-of-state bank holding company as defined in (h) of this section may acquire and own all or any portion of the

voting securities or other capital stock of, or all or substantially all of the assets of, one or more state banks, domestic bank holding companies, or national banks conducting a banking business in the state unless the state bank or national bank is a recently formed bank. To assure full protection of the public the department may require an out-of-state bank holding company that directly or indirectly owns, holds, or controls stock in a state bank or domestic bank holding company to post a bond with the department, under conditions the department may prescribe. The amount of the bond shall be equal to the product obtained by multiplying the amount of paid-in capital and paid-in surplus of the state bank or domestic bank holding company by the percentage of state bank or domestic bank holding company stock directly or indirectly owned, held, or controlled by the out-of-state bank holding company.

(f) When the department considers it necessary, an out-of-state bank holding company directly or indirectly owning, holding, or controlling state bank stock or domestic bank holding company stock is subject to an examination by the department or a competent person designated by the department. The out-of-state bank holding company shall pay an examination fee in accordance with AS 06.01.010.

(g) As used in this section a "recently formed bank" is a state bank or national bank conducting a banking business in the state that commenced that banking business in the state on or after July 1, 1982, and that has not been in existence and continuously operating in the state for a period of three years or more. However, the term "recently formed bank" does not include

(1) a bank organized solely for the purpose of facilitating acquisition of a bank that either has been in existence and continuously operating in the state as a bank for a three-year period, or was conducting a banking business in the state on or before June 30, 1982;

(2) a state bank that the department determines was not chartered directly or indirectly by an acquiring out-of-state bank holding company, and that does not have the capacity to

continue to conduct its business independently in a fashion consistent with the public interest and the interest of depositors, creditors, and shareholders; or

(3) a national bank that the Board of Governors of the Federal Reserve System, or their designee, determines was not chartered directly or indirectly by an acquiring out-of-state bank holding company, and that does not have the capacity to conduct its business independently in a fashion consistent with the public interest of depositors, creditors, and shareholders.

(h) As used in this section "out-of-state bank holding company" means a company that

(1) is a bank holding company as defined in the U.S.C. 1841, et seq.);

(2) is registered as a bank holding company with the Board of Governors of the Federal Reserve System, with the Federal Reserve Bank of the Federal Reserve District in which the operations of the bank holding company are principally conducted, or with a Federal Reserve Bank that the Board of Governors may designate;

(3) maintains its principal office and place of business outside the state; and

(4) principally conducts its banking operations through out-of-state banking subsidiaries, as measured by total deposits held or controlled by it on the date on which it becomes an out-of-state bank holding company;

(i) For the purpose of this section, a trust company organized under the laws of this state which is conducting a banking business shall be deemed to be a state bank.

* Sec. ~~10~~¹¹. This Act takes effect July 1, 1982.

Sec. 10 - take a section 7 of original bill, (CSSB 752 (L+C) am) & insert here as new Section 10.

4-22-82

S B 8 4 1

S B 7 4 9

HOUSE LABOR & COMMERCE
STANDING COMMITTEE
April 22, 1982
1:11 p.m.

Members Present: Rep. Martin, Chairman
Rep. Bylsma, Vice Chairman
Rep. Randolph

Members Absent: Rep. Gardiner
Rep. Rogers

COMMITTEE CALENDAR

CSSB 749 (L&C) An Act relating to equity participation; and providing for an effective date.

CSSB 841 (L&C) An Act relating to insurance policy provisions on policy loans and reinstatement of policies; and providing for an effective date.

WITNESS REGISTER

Senator Rodey
Alaska State Legislature
Pouch V
Juneau, Alaska 99811
465-3717
Position Statement: Supported CSSB 749 (L&C).

Ken Moore, Director
Division of Insurance
Department of Commerce & Economic Development
Pouch D
Juneau, Alaska 99811
465-2515
Position Statement: Supported CSSB 749 (L&C).

Mike Thomas
American Council of Life Insurance
Juneau, Alaska 99801
586-3348
Position Statement: Supported CSSB 841 (L&C).

Don Koch, Chief
Market Surveillance Section
Division of Insurance
Pouch D
Juneau, Alaska 99811
465-2577
Position Statement: Division supported CSSB 841 (L&C).

PREVIOUS ACTION

SB 749

Senate Action: First reading 2/11/82. Reported from Labor & Commerce 4/8/82. Reported from Rules 4/20/82; taken up immediately. Labor & Commerce committee substitute adopted in second reading; bill advanced to third reading and passed 4/20/82, with effective date vote same as passage.

House Action: First reading 4/20/82; assigned to Labor & Commerce.

Statutory Reference: AS 45.45.010(f)

Action Taken: Bill reported out.

SB 841

Senate Action: First reading 3/8/82. Reported from Labor & Commerce 4/8/82. Moved from Judiciary to Rules by unanimous consent 4/14/82. Reported from Rules 4/20/82; taken up immediately. Labor & Commerce committee substitute adopted in second reading; advanced to third reading by unanimous consent. Passed 4/20/82, with effective date vote same as passage.

House Action: First reading 4/20/82; assigned to Labor & Commerce.

Statutory Reference: AS 21.45.080; AS 21.45.110.

Action Taken: Bill reported out with individual recommendations.

ACTION NARRATIVE

Tape #61
Recording
Number 000

The meeting was called to order by Chairman Martin at 1:11 p.m. Members present were: Representatives Martin, Bylsma, and Randolph. Representatives Gardiner and Rogers were absent. Rep. Martin brought CSSB 749 (L&C) before the committee.

Number 004

Senator Pat Rodey explained the change in equity prohibition. He said there has been a prohibition on equity participation that goes back to about 1970. This bill would change that and would allow equity

participation above a million dollars and for a five year take out, so there are restrictions. He said most other states have been moving in this direction as a matter of economics. Few projects, particularly large commercial projects, can support an effective 17% interest rate, and there is no long term takeout for building. AIDA is the only entity providing take out for the construction of new properties in Anchorage, with the exception of ARCO and Hunt Brothers. Senator Rodey said this would allow the lender to take an equity position in the project. He explained that what is really happening is the lender will defer interest. If the project will support a 13% interest rate, and the net effective rate has to be 17%, the other 5% will be put into an equity position in that project and it will come out someplace during the project or when the project is sold. It allows, in a very uncertain market, for the lender to be secured, because if he is not, he will not lend the money. Senator Rodey felt there really is no alternative, interest rates being what they are today. He said in addition, people are starting to get around the existing statute by signing agreements with Seattle, and finding creative solutions. It was his opinion as a lawyer that you can probably get around the statute, as it is drafted now, anyway, but there is some uncertainty. It was Senator Rodey's intent that the small borrower will not be subject to leveraging by a lender; and that the larger, sophisticated lenders will be able to seek a national market.

Number 040

Rep. Martin asked if eventually the law should be repealed. Sen. Rodey did not believe the prohibitions should be eliminated completely, in order to avoid undue pressure by lenders on the small borrowers. He felt the law needs to be changed to keep current with economic conditions, but that this revision in the law is appropriate now.

Number 056

Ken Moore, director of the Division of Insurance, supported the bill. He said that among the items listed in the bill are lenders, and among the lenders are insurance companies. He favored the bill so they can leverage the loan. Moore said it is being

done in other states and, as Senator Rodey said, they are just by-passing us and doing it in those states that already give this leveraging permit. Regarding deleting the law entirely, Moore felt that would probably result in massive reconstruction of statutes. This saves that.

Number 065 Rep. Randolph moved to report CSSB 749 (L&C) out of committee. There being no objection, the motion passed.

Number 075 Rep. Martin brought CSSB 841 (L&C) before the committee.

Number 082 Mike Thomas, American Council of Life Insurance, said the council supports the bill. He explained the changes effected by the committee substitute, why the bill is needed, and how the bill would work. He said the law would result in cost savings on new policies.

Number 152 Rep. Randolph questioned how this would affect existing policies. Thomas said there would be no affect.

Number 165 Rep. Martin asked about a possible conflict between page 2, lines 9-12, and page 4, the effective date. He requested clarification. Thomas explained. There was discussion among the committee, Moore, and Thomas about how the bill would work.

Number 233 Don Koch, Chief of the Market Surveillance Section of the Division of Insurance, said the division supported the bill.

Number 235 Rep. Randolph moved the bill be reported out of committee with individual recommendations. There being no objection, the motion passed.

Number 251 As there was no further business to come before the committee, the meeting was adjourned at 1:30 p.m.

Absent:
Rogers.
Handwerker

H. Salvo - Commerce

4/22/82

SB 841

SB 749

Tape # 61

1: 11

Sen. Rodley attending

000

Call to order

John

SSB 749 (L&C)

change in

004

Sen. Rodley - experience of equity prohibition. Explained how

bill will affect lenders & borrowers. Said bill will

clarify statutes.

040

Martin asked if eventually law should be repealed. Rodley

said people might be concerned that, if no prohibitions,

small businessmen might experience undue pressure

from lender. Felt bill was appropriate at this time.

056

Ken Moore, Dir, Div of Ins - ~~also~~ supported bill as it applies

to us. Also leverage. Re deleting law entirely, felt

will result in massive reconstruction in statutes.

065

Randolph moved to report out; no obj; passed.

075

John, SSB 841 (L&C)

082

Mike Thomas, Am Council of Life Insurance - Council supports

bill. Explained change in CS, ^{why bill is needed,} & how bill will work.

Said law will result in cost savings in new policies.

158

Rep. Randolph stated how this will affect existing policies.

Thomas said there will be no effect.

165

Martin ~~asked~~, pd., 6-7-10, felt there was a conflict

w/ P. 4, ED. Requested clarification.

Thomas explained. ~~Re~~ Discussion among

committee, Moore, & Thomas of how bill will work.

233

Koch said Div supports bill.

235

Randolph moved bill be reported out w/ slight recomm. No obj;
passed.

251

1:30 Adjourned.

LABOR & COMMERCE COMMITTEE
DAILY COMMITTEE HEARING

Date: 4/22/82

Place: _____

| <u>Members</u> | <u>Present</u> | <u>Absent</u> | <u>Time Arrived</u> | <u>Time Left</u> |
|--------------------------|----------------|---------------|---------------------|------------------|
| Rep. B. Bylsma, V. Chair | ✓ | _____ | 1:01 | |
| Rep. D. Randolph | ✓ | _____ | 1:11 | |
| Rep. B. Rogers | _____ | _____ | ✓ | |
| Rep. T. Gardiner | _____ | _____ | ✓ | |
| Rep. T. Martin, Chair | ✓ | _____ | 12:55 | |

Subject Matter:

House Bill No. _____

Senate Bill No. 841 749 _____

Special Orders:

SB 749 SENATE ACTION

10:34 4/26/82 PAGE 2 OF 3

DATE SEQ PAGE

LEGISLATIVE ACTION

02/11/82 01 0267

FIRST READING -- COMMITTEE REPORTS

04/08/82 02 0837

L&C -- CS04, NR01

04/20/82 03 0965

RLS -- L&C CS03, OTHER04

TAKEN UP IMMEDIATELY

04/20/82 04 0969

SECOND READING

04/20/82 05 0970

L&C CS ADOPTED BY UNAN CONSENT

04/20/82 06 0970

ADVANCED TO 3RD READING BY UNAN CONSENT

04/20/82 07 0970

THIRD READING

04/20/82 08 0970

PASSED BY DIV 16-04-00

04/20/82 09 0970

EFFECTIVE DATE VOTE SAME AS PASSAGE

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SB 749 HOUSE ACTION

10:34 4/26/82 PAGE 3 OF 3

DATE SEQ PAGE

LEGISLATIVE ACTION

04/20/82 10 1439

FIRST READING -- COMMITTEE REPORTS

04/22/82 11 1498

L&C -- DF03

RULES

RULES

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SB 841 SENATE ACTION
DATE SEQ PAGE

10:33 4/26/82 PAGE 2 OF 3

LEGISLATIVE ACTION

03/08/82 01 0480 FIRST READING -- COMMITTEE REPORTS
04/08/82 02 0838 L&C -- CS03, NR02
04/14/82 03 0914 MOVED FROM JUD TO RLS BY UNAN CONSENT
04/20/82 04 0965 RLS -- OTHER04
TAKEN UP IMMEDIATELY
04/20/82 05 0971 SECOND READING
04/20/82 06 0971 L&C CS ADOPTED BY UNAN CONSENT
04/20/82 07 0971 ADVANCED TO 3RD READING BY UNAN CONSENT
04/20/82 08 0971 THIRD READING
04/20/82 09 0971 PASSED BY DIV 19-01-00
04/20/82 10 0972 EFFECTIVE DATE VOTE SAME AS PASSAGE

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SB 841 HOUSE ACTION
DATE SEQ PAGE

10:33 4/26/82 PAGE 3 OF 3

LEGISLATIVE ACTION

04/20/82 11 1439 FIRST READING -- COMMITTEE REPORTS
04/22/82 12 1498 L&C -- DP01, NR02
JUDICIARY
RULES

SIGN-IN SHEET

| Name (please print) | Address | Representing | Testify? (YES or NO) | Phone Number |
|---------------------|---|--------------|-------------------------|-----------------|
| Tom Lusk | Division of Banking | | yes if reinstated | 465-2520 |
| TONY RIVERA | | | no | 465-2521 |
| Mike Thomas | Council of Life American Ins ASSN | SB841 | yes ✓ | 586 3348 |
| Hon Koch | Div of Ins | SB841 | yes ✓ | 465-25?? |
| Ken Moore | | SB 749 | no | 465-2515 |
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4-23-82

SB 630