

ALASKA LEGISLATURE COMMITTEE FILES 2007-2008 SL&C 12615

mothers to pump milk. Expectant mothers (employees) receive information about pregnancy and breastfeeding through monthly prenatal classes and are also enrolled in a prenatal support group. When a WIC employee goes on maternity leave, the Perinatal Support Program Coordinator assists employees with applications for Family Medical Leave and also advocates for the employee if any insurance issues arise. The employee then chooses a Trained Lactation Coach (TLC) from a pool of other employees who have undergone an eight-hour breastfeeding training. This TLC provides support for the new mother from the initiation (within 24 hours of delivery) throughout the duration of breastfeeding. After employees return to work, they can participate in monthly breastfeeding support groups offered during the workday as they continue to breastfeed. Additionally, new mothers are provided with breast pumps at work and allowed time to pump breast milk at up to four intervals throughout the workday.³

Effectiveness

Results from a recent evaluation of Working Well Moms shows that more than 70 percent of women enrolled in CIGNA's Working Well Moms program were still nursing once their babies were six months old, compared to the national average of about 20 percent of employed new mothers. At one year, 36 percent of Working Well Moms participants are still breastfeeding, compared to the national average of 10.1 percent. The research further shows annual savings of \$240,000 in health care expenses for the more than 1,000 women enrolled since the program's inception. CIGNA is also seeing savings on pharmacy costs, as breastfed children require 62 percent fewer prescriptions. In addition, the program saves \$60,000 per year through reduced absenteeism among breastfeeding mothers at CIGNA. Researchers say the program appears to encourage more women to breastfeed and stay with it by breaking down economic and sociological barriers.⁶

Results from the Public Health Foundation Enterprises WIC Program's Perinatal Support Program demonstrate that these WIC employees significantly exceed the national health objectives for breastfeeding. In 1999, all employees participated in the program and initiated breastfeeding. Seventy-six percent continued through at least six months and 55 percent of these employees were still breastfeeding at one year. These rates are consistently higher than the goals set forth by Healthy People 2010, which establish target rates of 50 percent for continuing breastfeeding through six months and 25 percent for continuing breastfeeding through one year. The program's 1999 results are similar to results achieved during the previous three years.

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Acknowledgments

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Prevention Institute's nutrition policy profile series is funded in part by a grant from The California Wellness Foundation (TCWF). Created in 1992 as an independent, private foundation, TCWF's mission is to improve the health of the people of California by making grants for health promotion, wellness education, and disease prevention programs.

¹ American Academy of Pediatrics Work Group on Breastfeeding. Breastfeeding and the use of human milk. *Pediatrics*. 1994;100:1035-1039.

² *Ibid.*

³ US Department of Health and Human Services. *Healthy People 2010: Conference Edition*. Vol 2. Washington, DC: US Dept of Health and Human Services; 2000:16-46.

⁴ Hamilton JC. A framework for analyzing health promotion in the workplace: the breastfeeding example. In: Abstract Book of the 16th Annual Meeting of the Association for Health Services Research; June 27-29, 1999; Chicago, Ill;16:394-395.

⁵ Meehan, Karen. Personal communication. March-April 2001.

⁶ Breastfeeding.com. Supporting moms is good business: CIGNA's corporate lactation program pays off. Available at: http://www.breastfeeding.com/workingmom/corp_lact.html. Accessed May 16, 2002.

The Breastfeeding Task Force of Greater Los Angeles is a non-profit organization dedicated to educating the public about breastfeeding support and resources. The social barrier to breastfeeding is a major concern. **Breastfeeding Task Force of Greater Los Angeles** is a community health and government organization.

Breastfeeding Task Force of Greater Los Angeles Press Releases



Left Picture: Cynthia Harding, MPH, Program Director, Maternal, Child and Adolescent Health Program, County of Los Angeles Department of Health Services, Karen Peters, MBA, RD, IBCLC, Executive Director, Breastfeeding Task Force of Greater Los Angeles, Robert Sattledge, MD, Medical Director, Maternal, Child and Adolescent Health Program, County of Los Angeles Department of Health Services

FOR IMMEDIATE RELEASE
CONTACT: Grace Adams
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Breastfeeding Task Force Applauds County Agency's Move to Support Breastfeeding Employees

Lactation Accommodation and Breastfeeding Support Services Now Available in Los Angeles County Department of Health Services Facilities

Los Angeles, CA, March 15, 2004 — The Breastfeeding Task Force of Greater Los Angeles will present the Family Health Promotion Award to Jonathan E. Fielding, MD, Director of Public Health of the Los Angeles County Department of Health Services for its continuing commitment to support and promote breastfeeding in the workplace upon the opening of the new lactation room, located in the Superior Court Building on 600 South Commonwealth in Los Angeles. This is the second such facility to benefit from the County's breastfeeding support programs. The County's programs provide employees lactation rooms where breastfeeding mothers can express their milk throughout the day with access to hand washing facilities, comfortable accommodations, and support services, including nutrition and breastfeeding information. At this facility, the room will be available to breastfeeding employees of the Department of Health Services and the Superior Court Building.

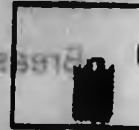
As of January 2002, the State of California passed a law (AB 1025) requiring employers to provide unpaid break time and a private space to express breast milk during the workday. Breastfeeding friendly workplaces have been shown to decrease employee absenteeism by up to 57% due to the health benefits for both mother and baby, while enhancing employee productivity, loyalty, and morale.

"Women with infants comprises one of the most important segments of the U.S. workforce," said Karen Peters, executive director of the Breastfeeding Task Force of Greater Los Angeles. "We commend the Los Angeles County Department of Health Services for its leadership in providing programs to support a mother's choice to continue to breastfeed when she returns to work. Programs such as this provide health benefits to women and infants, while providing employers' real business benefits such as increased employee retention and lower health costs."

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- Parenting I
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The Breastfeeding Task Force of Greater Los Angeles is a non-profit organization dedicated to educating the public about breastfeeding support and decreasing the societal barriers to breastfeeding. Many mothers fail to breastfeed or prematurely wean because of a perceived or actual lack of support from their employers. The Breastfeeding Works project will decrease those barriers by helping employers to realize the value of supporting breastfeeding working mothers. For more information, please visit its website at www.BreastfeedLA.org

Breastfeeding
Task Force of
Greater Los
Angeles
Board of Directors



County of Los Angeles, Department of Health Services, Office of Communications

241 N. Figueroa Street, Room 348 • Los Angeles, CA 90012

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www.ladhs.org

For immediate release:

For more information contact:

March 15, 2004

Maria Iacobe at 213/240-8144

Many Women Breastfeed But Stop Too Early

Lactation Rooms in the Los Angeles County Department of Health Services Facilities Receive Award

Los Angeles, CA, March 15, 2004 — According to a report just released by the Los Angeles County Department of Health Services, more mothers in Los Angeles County are initiating breastfeeding (82%). The overall breastfeeding initiation rate is higher now compared to the previous survey (1999) estimated percentage of 79%.

However, disparities persist, with African-American (63%) and Asian/Pacific Islander (78%) women having lower breastfeeding initiation rates compared to Latina (83%) and White women (90%). Furthermore, breastfeeding rates decline steadily over the infant's first year for all major racial/ethnic groups, with only half of all mothers still breastfeeding their infants at six months of age, and less than one-third at 12 months.

As of January 2002, the State of California passed a law (AB 1025) requiring employers to provide unpaid break time and a private space to express breast milk during the workday. Findings from the 2002-03 Los Angeles County Health Survey revealed that 60% of mothers stopped breastfeeding when they returned to work within six months of giving birth.

"Women with infants comprise one of the most important segments of the U.S. workforce," said Karen Peters, executive director of the Breastfeeding Task Force of Greater Los Angeles. "We commend the Los Angeles County Department of Health Services for its leadership in providing programs to support a mother's choice to continue to breastfeed when she returns to work. Programs such as this provide health benefits to women and infants, while providing employers' real business benefits such as increased employee retention and lower health costs."

The Breastfeeding Task Force of Greater Los Angeles will present the Family Health Promotion Award to Jonathan E. Fielding, MD, MPH, Director of Public Health of the

<http://www.breastfeedingtaskforce.org/PR/county-lactation-room.htm>

11/20/2005

Los Angeles County Department of Health Services for its continuing commitment to support and promote breastfeeding in the workplace upon the opening of the new lactation room. The County's programs provide employees lactation rooms where breastfeeding mothers can express their milk throughout the day with access to hand washing facilities, comfortable accommodations, and support services, including nutrition and breastfeeding information.

"Exclusive breastfeeding is recommended for the first six months of life", said Jonathan Fielding, MD, MPH, Director of Public Health and County Health Officer. "Lactation programs help working mothers to continue breastfeeding their infants by providing a clean, private place to express milk during the workday. Programs such as this have a positive impact in extending breastfeeding duration."

For a copy of the complete study on Breastfeeding Practices in Los Angeles County, visit: www.lapublichealth.org/ha

Health survey background: The Los Angeles County Health Survey is a periodic, population-based telephone survey that collects information on socio-demographic characteristics, health status, health behaviors and access to health services among adults and children in the County. The 2002-03 survey collected information on a random sample of more than 8,000 adults and nearly 6,000 children with interviews offered in six languages.

Public Health is committed to protecting and improving the health of the nearly 10 million residents of Los Angeles County. Through a variety of programs, community partnerships and services, Public Health oversees environmental health, disease control and community and family health and comprises more than 4,000 employees with an annual budget exceeding \$600 million.

Support to lactating moms in the workplace is important. It allows breastfeeding moms balance work and family life and most certainly enable them to successfully provide their infant children the best nutrition available.

The Breastfeeding Task Force of Greater Los Angeles, through its Breastfeeding Works Program, recognizes the efforts of companies who understand the need to provide an environment for its employees to achieve a balanced work and family life. Twice a year, the task force will recognize companies that provide lactation accommodation programs with the Family Health Promotion Award.

To apply and be considered for this award, please complete our on-line application. Applications will be considered twice a year. Deadlines will be on January 15th and June 15th of each year.

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Visit www.Breastfeedingworks.org for more information on California Lactation Accommodation for Employers.
Phone/Fax: 213-596-5776. E-mail: info@BreastfeedLA.org with questions or comments. Site by ATTACH.



Increase Healthy Food Choices

EXCERPT FROM:

Alaska in Action

Statewide Physical Activity and Nutrition Plan



Dept. of Health & Social Services
Division of Public Health

Governor, Frank Murkowski
Commissioner, Karleen Jackson
P.O. Box 240249
Anchorage, AK 99524-0249
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Nov 2005

Increase Healthy Food Choices



Aim 3.7:

Alaskan mothers breastfeed their infants and toddlers

Educational Strategies:

- Conduct social marketing and media campaigns that highlight the benefits of breastfeeding

Program Strategies:

- Work collaboratively with the Alaska Breastfeeding Coalition and the Alaska WIC Program Loving Support social marketing campaign to promote and support breastfeeding efforts
- Work with healthcare providers and within healthcare systems to provide breastfeeding education and peer support

Policy and Environmental Strategies:

- Implement policies that support and encourage breastfeeding in healthcare settings (example: "Ten Steps to Successful Breastfeeding" recommendations developed by the World Health Organization and United Nations Children's Fund)
- Create and implement workplace policies that support breastfeeding, such as adequate break time and a private space for expressing milk



Aim 3.8:

Alaskans of all ages consume the recommended amount of fruits and vegetables

Educational Strategies:

- Implement a campaign promoting the health benefits of including fruits and vegetables into a healthy diet
- Implement a campaign encouraging the consumption of frozen and canned fruits and vegetables in rural areas, where fresh produce is often unavailable and expensive
- Provide Alaskans with recommendations on how to incorporate fruits and vegetables into daily eating routines
- Distribute "5-a-Day the Alaskan Way" materials to rural communities and stores

Policy and Environmental Strategies:

- Develop and implement competitive pricing strategies for fruits and vegetables within Alaska
- Collaborate with retailers, wholesalers, and food distributors, as well as worksite and school personnel to ensure that fruits and vegetables are available and affordable in schools and worksite settings
- Develop and implement incentive systems for using food stamps for the purchase of fruits and vegetables

Program Strategies:

- Collaborate with rural vendors, food distributors and retailers on marketing of fruits and vegetables in rural areas
- Collaborate with retailers, wholesalers and food industry representatives on promoting fresh fruits and vegetables



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Form 3002



Home

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- Emergency Contraception
- Family Violence

Why Breastfeed?

Breast feeding is best for baby, mom, families, and the world.

Best for Baby:

- promotes growth and development
- increased intelligence (higher IQ's)(*JAMA*. 2002;287(18):2365-2371)
- better brain and nervous system development
- decreased risk of cancer and diabetes
- decreased respiratory infection during the first year of life (*Arch Dis Child* 2003;88:224-228)
- decreased incidence of Sudden Infant Death Syndrome (SIDS)
- decreased risk of heart disease later in life
- decreased development of obesity (*Lancet* 2002;359:2003-2004)
- decreased early development of multiple allergic diseases (*Arch Dis Child Dec* 2002;87(8):478-481)
- decreased otitis media (ear infections) (*JAMA* 1999;282(22):2167-2169)
- increased bone density
- promotes healthy tooth and jaw development
- may decrease development of celiac disease (*Am J Clin Nutr* 2002;75:914-921)
- may decrease development of Rheumatoid Arthritis (RA) later in life (*BMJ* 2003;326:1068-1069.)



Best for Mom:

- decreased risk of breast (*The Lancet*;360:187)
- decreased ovarian cancer
- decreased risk of anemia
- helps body return to pre-pregnant state quicker
- may delay ovulation and menstruation
- decreasing occurrence of death from rheumatoid arthritis the longer the mom breastfeeds
- sweeter smelling diapers

Best for Families:

- more economical
- less time spent preparing bottles
- fewer missed work or school days due to the baby being sick
- special bonding time for siblings and dad

Best for the World:

- a natural resource
- healthier future generation
- reduces the cost of health care
- reduces tax burden on government and communities
- decreases absenteeism in the workplace

The Breast | About Breastmilk | Mechanics of Breastfeeding | Mom's Diet | Involving Dad | Just for Fun



Women's Health

www.navy.mil/naval/med

Why Breastfeed?



Best for Baby:
Breast feeding is best for baby, mom, families, and the world.

- promotes growth and development
- increased intelligence (Walker, 2002)
- better brain and nervous system development
- decreased risk of cancer and diabetes
- decreased respiratory infection during the first year of life (Arch Dis Child 2003; 88: 224-228)
- decreased incidence of Sudden Infant Death Syndrome (SIDS)
- decreased risk of heart disease later in life
- decreased development of obesity (ancient)
- decreased early development of multiple allergic diseases (Arch Dis Child 2002; 87(5): 478-480)
- decreased risk of asthma (Walker, 2002)
- increased bone density
- promotes healthy tooth and jaw development
- may decrease development of colorectal cancer (Walker, 2002)
- may decrease development of Rheumatoid Arthritis (RA) (Walker, 2002)

Best for Mom

- decreased risk of breast cancer (Walker, 2002)
- decreased ovarian cancer
- decreased risk of anemia
- helps body return to pre-pregnant state quicker
- may delay ovulation and menarche
- decreasing occurrence of death from myocardial infarction (Walker, 2002)
- decreased smoking habits

Best for Families

- more economic
- less time spent preparing bottles
- lower missed work or school days due to the baby being sick
- special bonding time for a long and hard

Best for the World

- a natural resource
- healthier future generation
- reduces the cost of health care
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The Best | About Breastfeeding | Mechanics of Breastfeeding | Mom's Diet | Involving Dad | Just for Fun

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Study: Breast-feeding may protect moms from diabetes

CHICAGO, Illinois (AP) – Breast-feeding is thought to protect babies from developing diabetes. Now research suggests it might even help keep their mothers from getting the disease, too. 11/23/05

A study found that the longer women nursed, the lower their risks of developing diabetes.

The findings are far from conclusive, but the researchers say breast-feeding may change mothers' metabolism in ways that make the possible connection plausible.

These metabolic changes may help keep blood sugar levels stable and make the body more sensitive to the blood sugar-regulating hormone insulin, said Dr. Alison Stuebe, the study's lead author and a researcher at Brigham and Women's Hospital in Boston, Massachusetts.

That theory is partly based on evidence in rats and humans showing that breast-feeding mothers had lower blood-sugar levels than those who did not breast-feed.

The new study, published in Wednesday's *Journal of the American Medical Association*, involved 157,000 nurses who participated in two long-running health studies.

They filled out periodic health questionnaires and were followed for at least 12 years. During the study, 6,277 participants developed type 2 diabetes.

Women who breast-fed for at least one year were about 15 percent less likely to develop type 2 diabetes than those who never breast-fed. For each additional year of breast-feeding, there was an additional 15 percent decreased risk.

But both breast-feeders and bottle-feeders studied faced very low absolute risks of developing the disease.

In the first study, which began in 1976, 6.3 percent of women who breast-fed less than one year or not at all developed diabetes, compared with 5.5 percent of women who breast-fed for more than a year.

In the second study, which began in 1989, the rates were 1.9 percent and 1.1 percent respectively.

"If it does have an effect, it's very small," said Dr. Lisa Schwartz of Dartmouth Medical School, co-director of a research group that studies how medical information is sometimes hyped. She was not involved in the breast-feeding study.

With diabetes the nation's sixth-leading cause of death and 82 million U.S. women of childbearing age, even a small risk reduction could have a big effect, Stuebe said.

Continuous breast-feeding for at least one year appeared to be slightly better than breast-feeding each child for shorter durations, but the differences were minimal, Stuebe said.

Schwartz said the results may reflect the healthy lifestyles of women who breast-feed rather than breast-feeding itself.

But the researchers said that taking habits such as exercise, diet and smoking into account did not change the results.

Dr. Ruth Lawrence of the University of Rochester in New York, author of a medical textbook on breast-feeding, called the results compelling.

She noted that previous research has suggested breast-feeding might reduce women's risk of breast and ovarian cancer and osteoporosis.

If diabetes could be added to that list, the effect would be substantial, Lawrence said.

Breast-feeding has numerous health benefits for babies, too, so encouraging mothers to nurse "is kind of a win-win from a public health standpoint," Stuebe said.

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The findings are far from conclusive, but the researchers say breast-feeding may change metabolic metabolism in ways that make the disease connection plausible.

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That theory is partly based on evidence from rats and humans showing that breast-feeding mothers had lower blood sugar levels than those who did not breast-feed.

The new study, published in Wednesday's Journal of the American Medical Association, involved 127,000 nurses who participated in two long-running health studies.

They filled out periodic health questionnaires and were followed for at least 15 years. During the study, 6,577 participants developed type 2 diabetes.

Women who breast-fed for at least one year were about 12 percent less likely to develop type 2 diabetes than those who never breast-fed. For each additional year of breast-feeding, there was an additional 10 percent decrease that.

But both breast-feeding and bottle-feeding studies found very low absolute risks of developing the disease.

In the first study, which began in 1976, 3 percent of women who breast-fed less than one year or not at all developed diabetes, compared with 5 percent of women who breast-fed for more than a year.

In the second study, which began in 1959, the rates were 1.9 percent and 1.1 percent, respectively.

"It does have an effect," said Dr. Lewis Kullback of Dartmouth Medical School, co-director of a research group that studies how medical information is sometimes hyped. But was not involved in the breast-feeding study.

With diabetes the nation's sixth-leading cause of death and 82 million U.S. women at childbearing age, even a small risk reduction could have a big effect, Stuebe said.

Conscious breast-feeding for at least one year appeared to be slightly better than breast-feeding each child for shorter durations, but the differences were minimal, Stuebe said.

Schwartz said the results may reflect the healthy lifestyles of women who breast-feed rather than breast-feeding itself.

But the researchers said that taking habits such as exercise, diet and smoking into account did not change the results.

http://www.nurses.org/awhonn



Although there are many barriers to returning to work while continuing breastfeeding, employer programs that included provision of flexible breast pumps, educational programs about combining employment and breastfeeding and availability of a lactation room have contributed significantly to the duration of breastfeeding women in these companies (Chen & Milk, 1994). Obstacles to breastfeeding and returning to work can be overcome given a supportive home and work environment. Nurses, primary care providers and lactation consultants can play an important role in solving problems related to breastfeeding and workplace issues such as identifying when a woman is having difficulty breastfeeding.

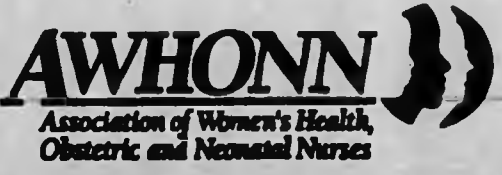
EVIDENCE-BASED CLINICAL

PRACTICE GUIDELINE

BREASTFEEDING SUPPORT: PRENATAL CARE THROUGH THE FIRST YEAR

MONOGRAPH

breastfeeding may not have been tested in nursing women to determine the effect on the breastfed child. Experience with and knowledge of categories of drugs and their effects should serve as a guide for health care providers. Drug prescribed for lactating women should be evaluated before prescribing. Many women with complex chronic diseases such as diabetes, hypertension or epilepsy who require medication may be able to breastfeed successfully. All women who breastfeed should be aware of the importance of checking with their primary care provider as well as the child's pediatrician or nurse practitioner for medication safety. Lactation may also serve as a resource for medications, vitamins or herbal supplements. Individuals providing lactation guidance regarding medications and their effect on breast milk. Individuals providing lactation support should consult professional resources on the use of medications and breastfeeding as necessary. Several excellent resources are available, including Medications and Mothers' Milk (Hale, 1999) and Drugs in Lactation (Briggs, 1997).



pacifier, bottle or formula; and 33% who had breastfeeding problems in the hospital reported they had received no help from the hospital staff (USDA, 1997).

Maternal Employment and Breastfeeding

One of the most prevalent barriers that women have reported to continued breastfeeding is the return to work. Specific problems for continued breastfeeding that women have identified include fatigue; insufficient milk supply; infant refusal to breastfeed; an unsupportive supervisor; lack of time, including the ability to schedule breaks; lack of privacy for expression of breast milk; and inadequate storage for breast milk (Hills-Bonczyk, Avery, Savat, Pomeroy & Dockett, 1995; Kearney & Cronenwett, 1991; Thompson & Bell, 1997).

✓ Although there are many barriers to returning to work while continuing breastfeeding, employer programs that included provision of electric breast pumps, educational programs about combining employment and breastfeeding and availability of a lactation room have contributed significantly to the duration of breastfeeding women in those companies (Cohen & Mirtek, 1994). Obstacles to breastfeeding and returning to work can be overcome given a supportive home and work environment. Nurses, primary care providers and lactation consultants can play an important role in solving problems related to breastfeeding and workplace issues such as identifying whether a woman is choosing to bottle feed because she perceives barriers to breastfeeding when she returns to work.

Contraindications to Breastfeeding

There are a few important instances in which breastfeeding is contraindicated. The American Academy of Pediatrics indicates that an infant with galactosemia, an infant whose mother abuses drugs, an infant whose mother has untreated active tuberculosis or an infant whose mother is infected with human immunodeficiency virus (in industrialized countries) should not breastfeed (AAP, 1997).

Occasionally a mother may need to take medication that makes it necessary to interrupt breastfeeding. Many medications are safe for mothers to take while breastfeeding, but some may not have been tested in nursing women to determine the effect on the breastfed child. Experience with and knowledge of categories of drugs and their effects should serve as a guide for health care providers. Drugs prescribed for lactating women should be evaluated before prescribing. Many women with complex chronic diseases such as diabetes, hypertension or epilepsy who require medication may be able to breastfeed successfully. All women who breastfeed should be aware of the importance of checking with their primary care provider, as well as the child's pediatrician or nurse practitioner, before taking prescription or nonprescription medications, vitamins or herbal supplements. Pharmacists may also serve as a resource for guidance regarding medications and their effect on breast milk. Individuals providing lactation support should consult professional resources on the use of medications and breastfeeding as necessary. Several excellent resources are available, including *Medications and Mothers' Milk* (Hale, 1999) and *Drugs in Lactation* (Briggs, 1997).

LETTERS OF SUPPORT

For

PROPOSED SEARHC Employee Breastfeeding Policy



COMMUNITY HEALTH SERVICES

SouthEast Alaska Regional Health Consortium

222 Tongass Drive, Sitka, AK 99835
907 966-8710 • www.searhc.org

MEMORANDUM

TO: BILL PERKET
FROM: SITKA EMPLOYEE WELLNESS TEAM
SUBJECT: SEARHC EMPLOYEE BREASTFEEDING POLICY
DATE: 19 DECEMBER, 2005
CC: SUSAN HENNON, PRISCILLA SKANNES, LISA SADLEIR-HART

The Sitka Employee Wellness Team would like to endorse the proposed SEARHC Employee Breastfeeding Policy. Breastfeeding provides a host of well-documented health benefits to both the infant and mother. Infants who are breastfed for the first 6 months of life experience less: infectious illnesses common in infancy and are less frequent and severe if infants are breastfed. We also know that breastfed babies have a lower risk for meningitis, childhood cancers, diabetes, obesity and developmental delays (1). Mothers are also protected from disease when they breastfeed. They are less likely to develop breast cancer, ovarian cancer, osteoporosis and type 2 diabetes (2,3). This strong evidence translates in to less absenteeism and being more present at work when mothers worry about their infant.

Employer support is critical for successful breastfeeding. Currently in Alaska, 91% of women initiate breastfeeding, but by 6 months of age only 48% continue breastfeeding and it drops to 29% by 12 months of age (4). Policies and programs designed to support working breastfeeding women really can make a difference. They send a message that the work environment supports breastfeeding, and they lead to:

- Less employee turnover
- Easier transitions back to work
- Less worrying about family problems
- Reduced overtime or temporary worker cost
- Lower utilization of employee health care benefits (5)

In order for a worksite breastfeeding support program to work, the following components need to be in place:

- 20-30 minute break in the morning and afternoon for a mother to nurse or express her milk
- provision of a private, clean area for breastfeeding or milk expression
- provision of a safe, clean and cool place or container to store expressed breastmilk
- provision of a clean, safe water source and sink for hand and pump washing

The policy being put forth by the Juneau breastfeeding support team meets these guidelines and will improve the health and wellbeing of SEARHC's workforce.

REFERENCES

1. American Academy of Pediatrics, Work Group on Breastfeeding. *Pediatrics* 1997; 100(6): 1085-1099.
2. Doraine Bailey, MA. *Breastfeeding: The Best Investment*; International Lactation Consultant Association; 1998.
3. *Breastfeeding May Protect Moms against Diabetes and more*; Juneau Empire, 12/1/2005.
4. *Alaska in Action: Statewide Physical Activity and Nutrition Plan*. November 2005, p. 24.
5. Doraine Bailey, MA. *Breastfeeding: The Best Investment*; International Lactation Consultant Association; 1998.

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907-796-8975
3 January 2006

SEARHC Executive Management Team,
Juneau, AK

Dear Searhc Executive Management Team,

I am writing in support of the proposed Consortium wide breastfeeding policy for SEARCH staff. Risks of formula feeding and benefits of breastfeeding are well documented. Human milk cannot be replaced without costs to the health of the infant, the mother, the family and therefore our communities. Exclusive breastfeeding for 6 months, with breastfeeding and other foods after the first six months, is the infant feeding practice recommended by the American Academy of Pediatrics, the American Academy of Family Practice Physicians, The Association of Women's Health, Obstetrical and Neonatal Nurses, and the US Public Health Service. The US Public Health Service Healthy People 2010 goals include increasing the duration of breastfeeding to at least one year.

If women are to meet the goals of providing breastmilk for their babies beyond the newborn period, many will be returning to the workforce as nursing mothers. Research indicates that "Returning to Work" is listed in the top 3 reasons American mothers state for premature weaning from the breast. All the above listed Public Health and Professional Organizations encourage employers to provide support for breastfeeding mothers in the workplace.

The proposed Consortium wide policy gives mothers the needed support to express their milk. A Consortium wide policy also endorses SEARHC's commitment to breastfeeding.

Breastfeeding provides many benefits to employers, including improved job satisfaction, less absenteeism (babies are healthier), and employee retention.

In my personal experience as a Lactation Consultant assisting women with breastfeeding over the past 20 years, I know that many women return to work breastfeeding. Some mothers in my practice have been very supported in their work environments, and this, along with their own commitment, has allowed them to provide breastmilk to their infants for a year or longer. These women also have increased job satisfaction. This is ideal. However, mothers who do not have support from their employers are more likely to wean prematurely. This often results in health consequences for their baby of increased constipation, illness, and the resultant increased health care costs and absenteeism. Lack of breastfeeding support also increases the likelihood these mothers will leave their jobs altogether.

January 17, 2006

Dear members of the Executive Management Team,

I would like to voice my strong support for the proposed employee breastfeeding policy. This policy will directly benefit our children and our mothers, as well as be a solid business decision.

Breastfeeding is known to be especially good for babies' immediate health and long-term development. Breastfeeding is positively linked to improved mental, emotional and physical development, and it strengthens babies' immune systems, thereby, reducing risk of common infectious diseases such as ear aches. Breastfeeding also reduces chronic disease and allergy risks later in life – heart disease, obesity, arthritis and tooth and jaw diseases are all shown to be mitigated by breastfeeding as an infant. By promoting breastfeeding we will be constructively addressing many of SEARHC's priority health concerns.

Not only does breastfeeding benefit the health of our children it is also known to improve the health of mothers. By breastfeeding their children, mothers will reduce their risk of breast and ovarian cancers, anemia, obesity and diabetes. Furthermore, by promoting breastfeeding SEARHC will be demonstrating powerful support for working mothers, providing important emotional support.

By boosting the morale of our working mothers, SEARHC will undoubtedly improve employee loyalty. Businesses that have instituted strong pro-breastfeeding policies have demonstrated decreased employee turnover and more successful recruiting efforts. Employees at the Los Angeles Department of Water and Power stated that the breastfeeding policy eased their transition back to work, improved the image of their employer, resulted in them taking less time off of work, and reduced family worries and stress.

By improving the health of both child and mother, work place breastfeeding policies are directly linked to decreased sick days and employee absenteeism. Also, improved health of children and workers means reduced health care costs for SEARHC.

The proposed breastfeeding policy for SEARHC is a positive step that is in line with both the Statewide Physical Activity and Nutrition Plan and the SEARHC Strategic Plan. The bottom line is that this policy is good business, as well as good health.

Thank you,



Nathaniel Mohatt
Health Promotion Manager
SEARHC Juneau Medical Center

CORRECTION

**THE FOLLOWING DOCUMENT(S)
HAVE BEEN REFILMED TO
ASSURE LEGIBILITY OR PAGINATION**



Rev. 6/98

Central Microfilm Services
Department of Education & Early Development
State of Alaska

Debi Ballam RN, IBCLC
Bartlett Regional Hospital
3260 Juneau, AK 99801
907-796-8975
3 January 2006

SEARHC Executive Management Team,
Juneau, AK

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All of your employees work for an organization committed to providing excellent health care and health promotion to the population they serve. Your employees deserve the same health promotional support. Employees who are supported in their own endeavors to provide breastmilk for their babies, will be more likely to encourage their clients to do likewise, and can provide role models for doing so. I encourage you to place breastfeeding support important enough to endorse this consortium wide breastfeeding policy.

Sincerely,



Debi Ballam, RNC, IBCLC (International Board Certified Lactation Consultant)

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Thank you,



Nathaniel Mohatt
Health Promotion Manager
SEARHC Juneau Medical Center

Subject: Re: Breastfeeding policy

From: mawad <mohamed.awad@searhc.org>

Date: Tue, 29 Nov 2005 12:40:42 -0900

To: Susan Hennon <susan.hennon@searhc.org>

CC: Tom Bornstein <tom.bornstein@searhc.org>

Hi Susan

I am glad you could see first hand how busy we could be up here in dental.

Regarding the breast feeding policy, We are in big support for its implementation, we did not have a written policy per say, but we have an internal regulation we enforced more than one time with pregnant employee.

In the past we had adjusted the schedule to provide the nursing employee with two 15 minutes breaks (for breast pumping basically) one for the morning and one for the afternoon.

I believe it is crucial for promoting healthy growth for the babies and promote the mother health and improve the morals with the employees.

after all they are our employee who returned to work as soon as they could and their healthy children would support our ultimate goals to promote health and the well being.

Please feel free to use this e-mail as our support for your effort for the policy.

Mohamed

Susan Hennon wrote:

Hi Dr. Awad,

Boy, you all are busy up there! I went up to try to catch you, but there was no way!

So...you had mentioned at the CWILT meeting in October that Dental has a breastfeeding employee policy in place and that it works great.

Do you have the policy in writing?

Would you be willing to write a brief letter in support of the policy we are pursuing?

Is there any information you need to do that?

Give me a call - I'll be gone all next week. Priscilla Skannes and I are trying to get this ball rolling.

Susan:)

January 18, 2006

SEARHC Executive Management Team

Dear Executive Management Team,

SUBJECT:

SUPPORT FOR SEARHC WIDE BREASTFEEDING FRIENDLY WORKPLACE INITIATIVE

In the spirit of SEARHC's 2006-2011 Strategic Goals regarding disease prevention, wellness and exploration of opportunities to integrate medically sound complementary health care, I proudly write this letter of support for a SEARHC Wide Breastfeeding Friendly Workplace Initiative. I am sure, by now, you have been showered with data which details the health benefits of breastfeeding to the baby, mother and environment as well as the financial benefits for the employer. We are quite aware breastfeeding decrease risk of developing diabetes, obesity and certain cancers.

I am a Registered Dietitian, life long Alaskan and mother of two breastfeed (one currently) boys. I would have had an extremely difficult time successfully providing breast milk for my babies after returning to work if not for the excellent support from my supervisors and co-workers. Many, too many, mothers stop breastfeeding right around 3 months – the time when they return to work. SEARHC EMTs' support of this initiative could foster a consortium wide acceptance and assistance to help guide mothers and babies who otherwise thought it impossible to continue to provide breast milk after returning to work. I feel blessed to be working in a department that supports prevention and breastfeeding; however I do know breastfeeding (pumping) is not universally supported throughout the consortium. At one point, I was given a very old HR policy, that basically stated "No children in the workplace." This was given to me as a direct result of me nursing my infant son while on a break.

On a positive note - testimony.... With my first son, we had quite a learning curving to breastfeeding. It was very stressful, and as an RD, I knew the benefits of breastfeeding and was determined to make it work. After months of struggling to get our breastfeeding relationship set, things started to settle in. I had been pumping breast milk from days after birth, and was a pro at it by the time, my Health Promotion supervisor arranged for a department training retreat in Sitka. Needless to say I was nervous to leave this baby I had worked so hard to keep him on breast milk and off infant formula. My big blue breast pump and I boarded the jet to Sitka. A sick feeling came over me as I sat in the CHS conference room. I FORGOT PART OF THE BREAST PUMP! My world came crashing down. How would I keep my milk supply up? What would I have to feed him when I get home? Lisa Sadlier-Hart my supervisor saw the color wash from my face and my distant and distracted look. She asked what was wrong and I explained my situation. By noon that same day, Lisa handed me an entirely new breast pump replacement kit. We never missed a beat – I breastfeed that boy for 13 months. Son #2 is 20 months old and still nursing!

Breast feeding: Health Promotion and Disease Prevention for the next generation.

Be Well,

Jansi M Meyer RD LD

11226 Beachwood RD

Ketchikan, AK 99901

Jansi.meyer@gci.net

December 12, 2005

Rose Wysocki
2917 Jackson Rd
Juneau, AK 99801

Re: Breastfeeding Policy

To Whom It May Concern,

This letter is in support of the Breastfeeding policy developed by Susan Hennon and the WIC staff. I returned to work when my daughter was only 6 weeks old and have been pumping all year. The benefits of mother's milk have been critical in maintaining my daughter's immune system, which is certainly tested at daycare where boogers, fevers and coughs are passed around more than a basketball at Gold Medal.

While it has been tough to return to work and leave my baby at daycare, having the ability to pump a few times a day has eased that transition. Pumping has allowed me to focus fully on work as I know that my daughter is still getting what she needs from me, even though I am not able to nurse her during the day.

I fully support this policy and applaud SEARCH for supporting breastfeeding mothers and healthy babies!

Sincerely,



Rose Wysocki
Nursing Mother

December 2, 2005

Allison Rhyner
3245 Hospital Drive
Juneau, Alaska 99801
907-463-4001
allison.rhyner@searhc.org

Re: Breast Pumping Room Policy

Dear SEARHC and CWILT,

I wanted to take this time to express my appreciation to Susan Hennon and the WIC staff for providing the breast pumping room for breast feeding mothers. I have a 5-month old son, Tyler that I am still breastfeeding and this works very well for me. I have had the chance to experience this opportunity, and I am VERY thankful!

I usually go over for about 20 minutes, I find this very convenient and useful. The set up of the room is very private and comfortable, making it a lot more relaxing for the pumping process.

Again, I would like to express my appreciation for making this apart of the SEARHC Juneau Campus.

Sincerely,



**Allison Rhyner
Breastfeeding Mother**

SB

115

ALASKA STATE LEGISLATURE

Session
State Capitol Building, Room 125
Juneau, Alaska 99801-1182
Phone (907) 465-2995
Fax (907) 465-6592

Interim
716 West Fourth Avenue, Suite 430
Anchorage, Alaska 99501
Phone (907) 269-0250
Fax (907) 269-0249



Chair
Senate State Affairs
Administrative Regulation Review

Member
Senate Judiciary Committee
Senate Resources Committee

SENATOR LESIL MCGUIRE

SPONSOR STATEMENT SB 115

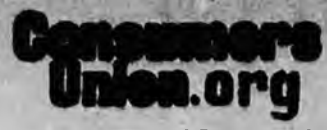
"An Act relating to gift certificates and gift cards, and to unclaimed property; and making a violation of certain gift card prohibitions an unlawful trade practice."

Retailers and banks have been offering electronic "gift cards" in response to growing consumer demand for easier and more convenient gift options. Similar to a credit or debit card, these electronic gift cards allow recipients the flexibility to use the card at multiple locations. Most banks and retailers that issue these types of credit devices allow gift givers to choose from amounts as low as \$10 and as high as \$1,000.

Unfortunately, some banks and retailers have used this new opportunity to erode the purchasing power of gift cards by attaching a variety of fees and service charges, often failing to clearly explain these provisions to purchasers and recipients. Commonly, issuers will attach a "dormancy fee" of \$2.50 or greater that is deducted monthly from the remaining balance as well as an "activation fee" of \$5 or more in order to begin using the card. A \$100 gift card would lose 35% of its value in one calendar year without making one purchase. Lastly, some of the issuers include expiration dates less than Alaska's unclaimed property laws.

In the last 5 years a number of states have adopted measures to limit or restrict fees attached to these gift cards as well as establish standard expiration periods allowing consumers a reasonable period to use their gift cards. SB 115 will ensure that gift cards that are purchased will retain their full purchased value in perpetuity and will not be subject to expiration dates, dormancy fees, latency fees, administrative fees, periodic fees, service fees or any other fee that will have the effect of reducing the total amount for which the holder may redeem a gift card.

There are some exclusions, such as gift cards issued under an awards, loyalty or promotional program, if it is donated to a nonprofit or charitable organization, or if it is a card that can be used to purchase goods or services from more than one seller of goods or services, telephone cards and bank issued cards.



Nonprofit Publisher of Consumer Reports

Consumers Union

State Gift Card Consumer Protection Laws*

California:

- No expiration dates and no fees, with one exception.
- Permits a \$1 per month fee only when the card has a balance of \$5 or less, the card has been unused for 24 months, and the card is reloadable.
- Covers gift cards usable at a single store or chain. Multiple-use gift cards are not covered.

Connecticut:

- No expiration dates.
- No inactivity fees.

Hawaii:

- No expiration within the first two years.
- No fees.

Illinois:

- Discourages expiration dates and service fees by exempting funds for cards without expiration and fees from escheat.

Iowa

- No fees unless there is a written contract between the card issuer and the holder of the gift card.

Kansas

- No expiration for one year

- No fees for one year
- Does not cover prepaid cards purchased from banks.
- Becomes effective January 1, 2007.

Kentucky

- No expiration for one year
- No fees for one year
- Does not cover general use prepaid cards usable with multiple unaffiliated merchants or at ATMs.

Louisiana:

- No expiration dates shorter than five years.
- No service fees, except for a one-time handling fee of \$1.
- Covers cards issued to be redeemed in goods or services provided by the card seller.

Maine:

- No expiration dates.
- No fees unless printed on the card, allowed by written contract with the card owner, and not unconscionable.

Massachusetts:

- No expiration for the first seven years.
- Attorney General has stated that inactivity fees violate the state's rule against expiration within the first seven years.

Maryland:

- No expiration for the first four years..
- No fees for the first four years.
- Fees that do apply after the first four years must be disclosed on the certificate or card, attached sticker, or envelope, and may not be changed except to benefit the consumer.
- Does not apply to cards processed through a national debit or credit card service that are usable at multiple unaffiliated sellers of goods or services.

Nebraska

- Discourages expiration dates and fees through application of escheat law.

New Hampshire:

- For gift cards over \$100, no expiration earlier than the date the funds escheat to the state.
- For gift cards of \$100 or less, no expiration dates.
- No fees on cards of any amount.

New Jersey:

- Cards are "valid until presented."
- All other restrictions must be conspicuously printed on the card.
- Covers cards issued by retail merchandise establishments.

New York:

- No monthly service fees before 13th month of dormancy.

Nevada:

- No fees for the first 12 months.
- After 12 months, fees may not exceed \$1 per month.
- Covers gift cards usable at a single store or chain. Multiple use cards are not covered.

Montana

- No expiration dates.
- No fees.

Ohio

- No expiration in the first two years.
- No fees for the first two years.
- Covers cards "issued by a merchant" for the future delivery of goods or services. Does not cover cards usable with multiple unaffiliated merchants.

Oklahoma

- No expiration for the first five years.
- No service fees, with one exception.
- Permits a \$1 per month fee only when the card has a balance of \$5 or less, the card has been unused for 24 months, and the card is reloadable.
- Covers cards usable at a single retailer or chain. Multiple use cards are not covered.

- Effective date November 1, 2006

Rhode Island:

- No expiration dates.
- No monthly or annual service or maintenance fees.

South Carolina:

- No expiration within the first year.
- Fees permitted but must be disclosed on certificate, envelope, covering, or receipt.

Tennessee:

- Card issuer is exempt from turning unused funds over to the state if the card has no expiration date and no dormancy fees.

Vermont:

- No expiration within the first three years.
- No fees, except a licensed money transmitter, financial institution or credit union may charge a one time issuance fee the smaller of \$10 or 10%.

Washington:

- Prohibits expiration dates and all fees, with one exception.
- Permits a \$1 per month fee only when the card has a balance of \$5 or less, the card has been unused for 24 months, the card is reloadable, and the fee is disclosed on the card.
- Does not apply to gift cards issued by a financial institution or its operating

subsidiary if usable at multiple unaffiliated sellers of goods or services.

In addition to these state laws restricting expiration dates or fees, Arizona and Georgia have enacted gift card laws that address only disclosure.

**This is a summary of key features of many state gift card laws. Consumers Union does not give legal advice. Please consult the laws of your state for more information.*

Prepared by:
Consumers Union Financial Services Team
Consumers Union of U.S., Inc.
West Coast Office
1535 Mission St.
San Francisco CA 94103
Updated: October 13, 2006

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NEWS RELEASE

Comptroller of the Currency
Administrator of National Banks

NR 2006-84

FOR IMMEDIATE RELEASE
August 14, 2006

Contact: Robert M. Garsson
(202) 874-4294

OCC Issues Guidance on Gift Cards

WASHINGTON – The Office of the Comptroller of the Currency today issued guidance on disclosure and marketing issues associated with gift cards. The guidance focuses on the need for national banks that issue gift cards to do so in a manner in which both purchasers and recipients are fully informed of the product's terms and conditions.

"The gift card market is growing rapidly, and the terms and conditions of various cards can vary widely," said Comptroller of the Currency John C. Dugan. "It's very important that national banks engaged in this business adopt robust disclosure policies so that consumers understand what they are getting when they buy or receive a gift card."

Gift cards present special challenges because disclosures to a purchaser may not be adequate for a gift card recipient. The OCC expects national banks that issue gift cards not only to inform purchasers about material terms and conditions, but to take appropriate steps so that critical information is likely to be available to recipients as well.

Basic information that is most essential to a gift card recipient's decisions about when and how to use the card should be provided on the gift card itself, or on a sticker or tape affixed to the gift card. Disclosures should generally tell consumers:

- The expiration date of the card (which should appear on the front of the card);
- The amount or the existence of any monthly maintenance, dormancy, usage or similar fees;
- How to obtain additional information about their cards or other customer service (for example, by providing a toll free number or website address).

In addition, since the user of the gift card is generally not the person who purchased the product, issuers should provide information for card recipients and encourage purchasers to pass it on. These disclosures could be carried in promotional packaging or inserted into an accompanying sleeve and include such information as the name of the issuing bank, any fees that may apply and what to do if the card is lost or stolen.

The OCC's new guidance also advises national banks to avoid practices that could be misleading to consumers. For example, issuers should not advertise a gift card with "no

expiration date" if monthly service or maintenance fees, dormancy fees or similar charges can consume the card balance. Similarly, if fees may consume the card balance before the stated expiration date, disclosures related to that expiration date should explain that possibility. Issuers should also avoid describing gift cards as if they are gift certificates or other payment instruments more familiar to consumers, or as products that carry federal deposit insurance.

The full text of the guidance is available on the news release page of the OCC's web site.

The Office of the Comptroller of the Currency was created by Congress to charter national banks, to oversee a nationwide system of banking institutions, and to assure that national banks are safe and sound, competitive and profitable, and capable of serving the banking needs of their customers in the best possible manner. OCC press releases and other information are available at <http://www.occ.gov>. To receive OCC press releases and issuances by email, subscribe at <http://www.occ.gov/listaerv.htm>.



NEWS RELEASE

Comptroller of the Currency
Administrator of National Banks

NR 2006-127

FOR IMMEDIATE RELEASE
November 28, 2006

Contact: Kevin M. Mukri
(202) 874-5770

OCC Reminds Consumers of Holiday Tips on Gift Cards

WASHINGTON – As the holiday shopping season gets underway, the Office of the Comptroller of the Currency (OCC) wants consumers to know that it is important to check carefully the terms and conditions that apply to gift cards they buy or receive.

People thinking about purchasing gift cards should consult a 2004 OCC Consumer Advisory that provides important information about such issues as fees and expiration dates, and explains how to handle complaints and lost or stolen cards.

“As we enter the holiday season, it is especially important that consumers be alert to the wide variety of terms and conditions available in the gift card market,” said Comptroller John C. Dugan. “By asking a few questions based on the information provided in our Advisory, holiday shoppers will be able to select the gift card that best meets their requirements for this popular product.”

Some issuers, for example, deduct a monthly fee from the gift card or apply inactivity fees if the card has not been used for some period of time. Gift card holders may not realize that the value of their cards has been reduced until they use them for a purchase.

The OCC suggests that consumers make sure they have received disclosures on some of the important terms and conditions of the gift card they purchase, including:

- The fees, if any, that apply to the gift card, including those that apply after the sale and reduce the value of the card
- The expiration date of the gift card
- The procedures to follow in the event a card is lost or stolen
- The locations at which the gift card can be used
- The procedures to follow in the event there are problems with the gift card

If these disclosures are not stated on the gift card itself, or its packaging, the OCC suggests that consumers check to see if there is a toll-free number or Web site that will provide this information.

Some gift cards are issued by banks and some are issued by nonbank companies. The OCC has been providing periodic guidance to national banks on the subject of stored-value cards, including gift cards. The most recent OCC guidance on gift cards was issued on August 14, 2006, and addressed disclosure and marketing issues associated

with gift cards.

Consumers are encouraged to read "*Gift Cards: OCC Provides Holiday Tips for Consumers*" on the OCC's Web site: www.occ.gov/ftp/release/2004-108a.pdf.

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States Challenge Mall Gift Cards

November 7, 2004

Gift certificate and gift cards have become increasingly popular gifts at holiday time, but consumers should be aware that many come with hidden fees and may have a limited life span.

Massachusetts and Connecticut are taking a chain of shopping malls to court. The states have filed suit against Simon Malls, charging the national mall chain is selling gift cards that violate state consumer protection laws.

"These 'gift cards' are riddled with additional charges that Massachusetts consumers should not have to pay," Massachusetts Attorney General Tom Reilly said. "Despite the name, these gift cards are not what they seem."

Reilly said the cards violate the Massachusetts Gift Certificate law, which requires that gift cards be redeemable at full face value for seven years.

"Simon says - but Simon Property fails to tell the truth, when it subtracts \$2.50 a month from consumer gift cards six months or older," Connecticut Attorney General Richard Blumenthal said. "Simon illegally picks its customers' pockets to reactivate cards with unused balances."

"Card purchasers intend to give a gift to friends or loved ones, not to an already wealthy mall owner. State law - as well as logic and fairness - demand that gift cards retain their value just like dollars in a drawer," Blumenthal said.

In the Massachusetts lawsuit, Reilly charges that Simon Malls imposes a one-year expiration date on its cards and charges consumers numerous fees that significantly reduce the value of the card before it expires. Those charges include a \$2.50 dormancy fee that Simon automatically charges after the card has been held for six months, an initial fee to purchase the card, and fees for checking the card's balance or transferring the balance to another card.

While the state gift certificate law requires gift cards to be redeemable at full face value for seven years, a Simon Gift Card with a \$25 face value is worth only \$12.50 after the eleventh month, and would expire - be worth nothing at all - after one year.

The lawsuit alleges that these gift cards are subject to Massachusetts law, and not immune from state enforcement under the National Bank Act because they are not a bank product, as Simon Malls contends in a recent lawsuit. Reilly also alleges that Simon Malls does not sufficiently disclose fees connected with the card before consumers purchase them.

Connecticut's suit charges Simon is illegally imposing expiration dates on gift cards and charging fees on unused balances. The suit also charges that Simon fails to properly inform customers of two additional fees: a 50-cent charge to check the card balance and a \$5 fee to replace a stolen or lost card.

Simon Property Group is based in Indiana and owns and operates regional malls throughout the United States, including 14 in Massachusetts.

[Back to the top \(http://www.consumeraffairs.com\)](http://www.consumeraffairs.com)

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boston.com

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CONSUMER BEAT

Bill could run bank gift cards out of Mass.

The Boston Globe

By Bruce Muhl, Globe Staff | April 9, 2006

Beacon Hill lawmakers are trying to rein in bank-issued gift cards by outlawing the fees the cards depend on for a profit, a move that could have the effect of running the cards right out of the state.

The Senate has approved and sent to the House a bill that broadens the existing gift-card law to include bank-issued cards and to prohibit all customer fees for a period of seven years.

Industry analysts say bank-issued cards, which differ from retail gift cards in that they can be used virtually anywhere the card issuer (Visa, MasterCard, or American Express) is accepted, may not be able to survive if they are forced to eliminate their fees.

Senator Michael W. Morrissey, a Quincy Democrat who helped draft the gift-card legislation, said American Express representatives have told him the company would stop selling its cards in Massachusetts if the bill passes. American Express has already stopped shipping cards to Connecticut, Hawaii, New Hampshire, Rhode Island, and Vermont because of restrictions in those states. A company spokesman declined to comment.

Morrissey said the legislation would give Attorney General Thomas F. Reilly greater leverage in his lawsuit against a popular bank card issued by Indianapolis-based Simon Property Group, which operates malls in Massachusetts and across the country.

"It's like driving a knife through their heart," Morrissey said. "If we pass this, we will definitely make the attorney general's job easier."

Sarah Nathan, a Reilly spokeswoman, said the attorney general supports the legislation for the reason he sued Simon, to protect consumers. "Consumers should not have to worry that hidden fees and charges will wipe out the value of a gift card," she said.

Stewart A. Stockdale, chief marketing officer for Simon, said consumers know the pros and cons of bank-issued cards, which can be used in most stores, and retail cards, which can be redeemed only at the issuing store.

"The national trend is to incorporate that distinction into local legislation, focusing on consumer disclosure and customer education -- rather than fee prohibitions -- and allowing consumers to choose which option best suits their needs. It appears that, so far, the Massachusetts Legislature has chosen not to follow this trend," Stockdale said.

Stockdale declined to say what Simon would do if the gift-card legislation passes, other than to say that the Simon card "has been operated, and will continue to be operated, in compliance with all applicable law."

Several states give special treatment to bank-issued cards. New Jersey, for example, passed a gift-card law in January that prohibited dormancy, or inactivity, fees for at least two years. Prepaid bank-issued cards were exempted from the law.

Gift cards have become an enormous business since Blockbuster issued the first one in 1996. The Tower Group, a Needham research firm owned by MasterCard, estimates total sales this year of \$61.8 billion, with the market split between retail cards (\$50.8 billion) and prepaid bank cards (\$11 billion).

The prepaid market, consisting of cards directed at shoppers, consumers without bank accounts, and

corporations looking for a way to reward employees, is expected to grow 42 percent over the next two years to \$15.6 billion.

But as the prepaid market expands, it is bumping up against state laws restricting the fees and expiration dates of gift cards. Reilly, for example, sued Simon Property Group in November 2004, alleging it was violating the state gift-card law by selling a card that expired after one year and assessed \$2.50-a-month dormancy fees after six months.

Simon has since modified the card's terms, imposing the \$2.50-a-month fee after 13 months and making the card last at least 20 months. The card also comes with an initial \$2 to \$3 handling fee.

Simon has argued that its card is issued by a federally chartered bank and therefore not subject to state regulation. But that assertion was undercut by the US Office of Comptroller of the Currency, which notified Reilly and Simon that state restrictions on gift card fees are not preempted by federal regulations or law.

With Reilly's case against Simon dragging on in state court, the new gift-card legislation was drafted to give the attorney general more ammunition. Morrissey said anger about gift card fees is so great on Beacon Hill that he attracted more than 80 cosponsors with little effort.

Massachusetts law requires gift cards to last seven years, but the law is vague. Reilly has interpreted the language to mean that a card must last seven years before any fees can reduce its value, but the law doesn't specifically prohibit fees and it's not clear whether the law even applies to a card that could be redeemed anywhere.

The bill moving through the Legislature expands the definition of a gift card to cover cards that can be redeemed at multiple locations and prohibits "dormancy fees, latency fees, gratuities, or any other administrative fees or service charges that have the effect of reducing the total amount."

If the law passes or Reilly prevails in court, the bank-issued cards may have a tough time surviving here. Retail cards can operate without fees because cardholders eventually have to return to the store that issued the card to buy something. Owners of prepaid cards, by contrast, can shop almost anywhere, so the bank offering the card needs fee income to turn a profit.

Dennis Moroney, senior bank cards analyst at the Tower Group, said the market for prepaid gift cards is so big and expanding so fast that banks may just increase their up-front handling fees to cover their costs. He said rising fees could turn off consumers and pressure the federal government to develop a national gift-card policy.

"Your state is rattling the cage here," Moroney said. "In the end, like most things in life, there's probably going to be a compromise."

Bruce Mohl can be reached at mohl@globe.com. ■



AKPIRG

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AkPIRG Supports SB 115 - Gift Cards

On behalf of the Alaska Public Interest Research Group's (AkPIRG) 1,000 Alaskan members, I am writing to urge your support of Senate Bill 115. SB 115 will protect consumers and assure that they are getting full value for the gift cards they purchase. Estimates for gift card sales in 2006 reached \$24.8 billion, a growth of nearly \$6 billion from 2005. Alaskans will continue to turn to gift cards as a convenient, quick method to purchase gifts or for their personal use.

As you can see in the bill, there are many fees commonly associated with gift cards. These include: dormancy fees, latency fees, administrative fees, periodic fees and service fees. SB 115 protects Alaskan consumers from losing the value of their gift cards from these fees or other fees that have the effect of reducing the total amount for which the holder may redeem a gift card.

That is the simple, yet powerful and necessary protection SB 115 provides.

Many states have taken steps to protect consumers on this issue.

Here is a link to Consumers Union's list of the key portions of state laws concerning gift cards:
http://www.consumersunion.org/pub/core_financial_services/003889.html

Thank you for your attention to this matter and please support SB 115.

Sincerely,

Steve Cleary
AkPIRG Director

SB

116

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 3/14/07

FURTHER: Finance

Date of 5-Day Notice: _____
 (in accordance with Uniform Rule 23)

DATE TURNED
 IN TO OFFICE: 4/4/07

Labor and Commerce Committee considered SENATE BILL NO. 116

SB 116 UNIFORM MONEY SERVICES ACT

"An Act relating to the Uniform Money Services Act, to money transmission services, and to currency exchange services; and providing for an effective date."

and recommends:

- be replaced with SCS or CS SB 116 (L+C)
- adopt previous SCS or CS _____ (_____)
- attached amendment(s)
- adopt _____ Letter of Intent
- further referral to _____ Committee

SENATE BILL:	
<input checked="" type="checkbox"/>	Same Title
<input type="checkbox"/>	New Title
<hr/>	
HOUSE BILL:	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	Technical Title Change
<input type="checkbox"/>	New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Commerce	3/14/07	✓		

PREVIOUS FISCAL NOTE(S):

					FN#

APPROPRIATION - no fiscal note

	Bunker			✓	
	DAVIS	X			
	STUBBS			X	
	Hoffman			✓	
CHAIR:	ELIIS	X			



SENATOR KIM ELTON

MEMORANDUM

March 19, 2007

To: Senator Johnny Ellis, Chair
Senate Labor & Commerce Committee

From: Kim Elton

Re: SB 116, Uniform Money Service Act

I respectfully request a hearing on Senate Bill 116, implementing the Uniform Money Services Act for Alaska.

Members of the money services industry asked me to introduce this bill, and I have worked with representatives of businesses both large and small to prepare it. The bill also enjoys support from both regulators and consumer advocates.

I look forward to discussing the bill with the committee.

ALASKA SENATE

STATE CAPITOL • JUNEAU, ALASKA 99801-1182 • (907) 465-4947 • FAX (907)-465-2108

SENATOR_KIM_ELTON@LEGIS.STATE.AK.US



SENATOR KIM ELTON

SB 116 – Uniform Money Services Act

Sponsor Statement

SB 116 protects the public, strengthens the money services industry, and enhances law enforcement. It creates safety and soundness regulations for money transmitters and currency exchangers. The bill, suggested by the industry, is based on a model act by the National Conference of Commissioners on Uniform State Laws.

The bill guarantees consumers certain information before they buy a money transfer, gives them a place to make complaints, and ensures money Alaskans send will be delivered if a money services business (MSB) gets into financial trouble.

The bill establishes a two-tiered system of licenses. A money transmitter license allows a person to both transmit money and exchange currency. A currency exchange license allows only currency exchange. License fees will cover the cost of regulation, and investigations will be funded by the industry, making the bill a net zero to the state.

The federal government identified MSBs as susceptible to use for money laundering and terrorist financing. The vast majority of MSBs are legitimate and work very hard to prevent criminals from using their businesses. The industry believes this basic regulation bill will prevent, and help law enforcement weed out, the rare exception.

I respectfully ask for your support.

ALASKA SENATE

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SENATOR_KIM_ELTON@LEGIS.STATE.AK.US



SENATOR KIM ELTON

MEMORANDUM

March 19, 2007

To: Senator Johnny Ellis, Chair
Senate Labor & Commerce Committee

From: Kim Elton

Re: Sectional Analysis, SB 116

Because SB 116 adds significant new sections to the Alaska statutes, this sectional analysis differs from the traditional format. In addition to discussing the bill by section, it will briefly describe each new section of law created by Sec. 1.

SB 116 enacts a version of the Uniform Money Services Act, drafted by the National Conference of Commissioners on Uniform State Laws, in Alaska. While the NCCUSL model act also regulates the business of check casing, SB 116 does not.

Sec. 1 of the bill creates a new Chapter 55 in Article six of the Alaska Statutes: the Alaska Uniform Money Services Act:

Article One of the act regulates the practice of money transmission.

Section 101 of AS 06.55, requires any individual or business that provides money transmission services to have a license. This license allows provision of both money transmission and currency exchange. This license is not transferable.

Section 102 lays out the requirements to apply for a money transmitter license.

Section 103 allows money transmitters or currency exchangers licensed in another state to engage in money transmission in Alaska if the other state has enacted the Uniform Money Services Act, or other licensing laws approved by the department. These applicants must pay the appropriate fees. The section sets a deadline for the department to make a decision, which can be extended for cause. A money services business licensed under this section is subject to all the requirements of the Alaska act.

Section 104 lays out security requirements to protect the public from a money transmitter bankruptcy. The department has the flexibility to accept certain

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assets in lieu of a bond. A security pledged to meet this requirement will ensure money orders or stored value obligations outstanding at the time of bankruptcy are honored.

Section 105 requires the department to investigate an applicant for a money transmitter license. It sets a deadline for the department to make a decision, which can be extended for cause. The department may conduct an on-site investigation at the applicant's cost.

Section 106 requires a licensed money transmitter to submit an annual report along with a license renewal fee. The section spells out the information required in the report, and establishes late fees. The department may extend the renewal date for good cause.

Section 107 requires a money transmitter to maintain a net worth of at least \$25,000.

Article Two of the act regulates the practice of currency exchange.

Section 201 requires any individual or business that provides currency exchange services and is not licensed under sections 101-107, or an authorized delegate of a licensee, to have a currency exchange license. These licenses are not transferable. An exception is made if less than five percent of total revenues come from currency exchange.

Section 202 lays out the requirements to apply for a currency exchange license.

Section 203 requires the department to investigate an applicant for a currency exchange license. It sets a deadline for the department to make a decision, which can be extended for cause. The department may conduct an on-site investigation at the applicant's cost.

Section 204 requires a licensed currency exchanger to submit a biennial report along with a license renewal fee. The section spells out the information required in the report, and establishes late fees. The department may extend the renewal date for good cause.

Article Three of the act governs authorized delegates.

Section 301 describes the relationship between a licensee and an authorized delegate. The contract between licensee and authorized delegate must require the authorized delegate to follow the laws governing money service businesses. An authorized delegate must remit money to the licensee according to the contract. An authorized delegate holds money in trust for the licensee. This section also requires the department to notify an authorized delegate when the license under

which they operate is suspended, revoked, or not renewed. It prohibits an authorized delegate from providing money services beyond what is permitted to the licensee under whom the authorized delegate operates, and prohibits the use of subdelegates.

Section 302 prohibits an authorized delegate from providing money services for anyone not licensed under the act.

Article Four of the act describes the department's investigation and enforcement authority.

Section 401 establishes the notice the department must give a money services business (MSB) before an annual examination, and the circumstances under which the department can examine an MSB without notice. Information from examinations is confidential.

Section 402 lets the department cooperate with other states' MSB regulators for joint investigations and enforcement activities.

Section 403 lays out when an MSB must make reports beyond the license renewal report. These include quarterly reports, material changes in license application information, and criminal charges and convictions, among others.

Section 404 specifies what must occur when a licensee has a change of control, including deadlines for reporting to the department. The department is given a deadline for deciding whether to approve a change of control comparable to those in sections 103 and 203. This section makes clear that a public sale of securities does not constitute a change of control, and allows a person to ask the department's advance advice as to whether a business transaction would constitute a change of control under the chapter.

Section 405 lists the records licensees must maintain for three years, and lets the department include other records by regulation. These records must be available for inspection by the department.

Section 406 requires MSBs to file federally mandated money laundering, suspicious activity, and other reports with the Alaska Department of Law. This requirement is satisfied by timely filing of these reports with the federal government, as long as the federal authorities continue their current information sharing with state law enforcement.

Section 407 exempts MSB records collected and reports on MSBs prepared by the department from disclosure under the Public Records Act, and lets the department share information with other government agencies that agree to

protect the confidentiality of the information. The department may release a list of licensees, as well as aggregated financial data.

Article Five of the act describes certain investments a licensee may make.

Section 501 requires a licensee to maintain permissible investments at least equal to the face value of outstanding obligations. Investments are held in trust for the benefit of the purchasers and holders of the licensee's outstanding obligations.

Section 502 lists permissible investments. While some categories of investment are unlimited, the section sets maximum proportions of certain other investments a licensee may hold as allowable investments. The department has the power to add to the list by regulation.

Article Six of the act governs enforcement.

Section 601 describes the circumstances under which the department may revoke or suspend an MSB license, place a licensee in receivership, or order a licensee to revoke an authorized delegate's designation.

Section 602 describes the circumstances under which the department may suspend or revoke an authorized delegate's designation, place a licensee in receivership, or order a licensee to revoke an authorized delegate's designation.

Section 603 provides rules under which the department may issue a 'cease and desist' order to an MSB in order to protect the public, and provides for judicial relief.

Section 604 allows enforcement matters to be settled using a consent decree.

Section 605 permits the department to issue civil fines for violations of statute, regulation, or orders under this act. It sets a maximum daily fine.

Section 606 establishes criminal penalties for intentionally falsifying MSB records, among other things. It also makes engaging in money services without a license a class A misdemeanor or class C felony, depending on how much is transmitted in a 30-day period.

Section 607 allows the department to issue orders to show cause against anyone providing money services without a license. It provides for temporary restraining orders from the Superior Court, and appeal rights for those subjected to such orders. An order to cease and desist expires in 10 days unless the department commences administrative action.

Article Seven of the act governs administrative proceedings.

Section 701 specifies that administrative proceedings under the act are subject to the Administrative Procedure Act, but the Office of Administrative Hearings shall conduct hearings.

Section 702 provides a due process right to a hearing for a licensee or authorized delegate who is the subject of a suspension, revocation, or other administrative sanction, subject to other provisions of the act. An applicant whose application is denied is also entitled to a hearing.

Section 703 gives the department the power to administer oaths and issue subpoenas, compel the attendance of witnesses and production of documents in conjunction with an investigation under the act. The department may ask the superior court to compel a person to obey its subpoenas.

Article Eight of the act lays out miscellaneous provisions.

Section 801 instructs those who administratively apply or judicially construe the act to do so with an eye toward uniformity among the states that adopt the Uniform Money Services Act.

Section 802 excludes some entities that may transmit money or exchange currency from regulation under the act. These include governments, banks, and others, including federally regulated brokers and commodity exchanges to the extent the money transfer or exchange is incidental to their primary business.

Section 810 requires MSBs to disclose certain information to customers before providing services. These include fees, the operation of the exchange rate and the department's telephone number for complaints. The department may require additional disclosures by regulation.

Section 820 instructs the department to set fees and investigation charges that equal the department's actual costs in regulating and investigating MSBs. These fees will be set by regulation under the Administrative Procedure Act.

Article Nine of the act lays out general provisions.

Section 990 defines terms used in the act.

Section 995 gives the act a short title.

Sec. 2 states that the act applies to money services provided after July 1, 2008. This will allow businesses adequate time to become licensed and give the department time to research and issue licenses.

Sec. 3 allows the department to promulgate regulations and have them in place before the licensure requirements of the Act go into effect.

Sec. 4 lets the department begin work on regulations immediately.

Sec. 5 makes the licensure and other requirements of Section 1 effective July 1, 2008.



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March 19, 2007

Senator Johnny Ellis
Labor & Commerce Committee Chair
State Capitol
Juneau, AK 99801
Fax (907) 465-2529
Sen.Johnny.Ellis@legis.state.ak.us

By mail, email and fax (1 page)

Re: Request for a Hearing on the proposed Uniform Money Services Act (SB 116)

Dear Senator Ellis:

The NMTA was founded in 1999 to defend the rights and the very survival of the state-licensed remittance companies of the United States. Currently, we have 44 member companies that, in the aggregate, handle over \$19 billion a year in migrant worker remittances.

When a transmitter lives in a state that has no license requirement, the NMTA relaxes its rules if he seems OK. One of our money transmitter members, Mr. Allyn Moore, a resident of Alaska, has been shut out of the banking system on 'anti-money laundering compliance grounds.' This was not due to any failing on his part, but because the Federal government says that all money services businesses are high-risk.

Without banking facilities, Mr. Moore is out of business, so he would like Alaska to pass a money transmitter law. What does state licensing of money service businesses have to do with Mr. Moore getting his bank account back?

The first step on the road to recognition for small-to-mid-size money transmitters like Mr. Moore, is getting a state license. Since, in 1994, the US Congress decided to leave the regulation of money services businesses to the individual states, there is no federal certification available. We are very grateful to Senator Kim Epton, who introduced the subject Uniform Money Services Act, for his assistance in taking this first step.

The banking crisis we are going through is of immediate concern, but forty-seven states have decided to regulate money transmission or check selling for other compelling reasons:

- To protect the consumer and instill public confidence in the industry
- To assure transparency and disclosure in price and service
- To assure the safety and soundness of the supervised firms
- For the prevention and detection of financial crime

For all these reasons, we ask that you hold a hearing as soon as possible on the need for regulation of the Money Services Industry in Alaska and the need to bank these businesses. The NMTA supports SB 116, and urges its passage as soon as possible.

Please call me with any questions you may have, and thank you for your attention. The NMTA stands ready to help in any way we can.

Sincerely,

David Landeman
Executive Director

cc: Mr. Jesse Kiehl

email: david@nmta.us
cellular: (517) 821-3529