

HOUSE FINANCE COMMITTEE  
March 24, 2004  
1:39 P.M.

TAPE HFC 04 - 66, Side A  
TAPE HFC 04 - 66, Side B

CALL TO ORDER

Co-Chair Williams called the House Finance Committee meeting to order at 1:39 P.M.

MEMBERS PRESENT

Representative John Harris, Co-Chair  
Representative Bill Williams, Co-Chair  
Representative Kevin Meyer, Vice-Chair  
Representative Mike Chenault  
Representative Eric Croft  
Representative Hugh Fate  
Representative Richard Foster  
Representative Mike Hawker  
Representative Reggie Joule  
Representative Carl Moses  
Representative Bill Stoltze

MEMBERS ABSENT

None

ALSO PRESENT

Representative Peggy Wilson; Rick Urion, Director Occupational Licensing, Department of Community and Economic Development; Johanna Bales, Auditor, Tax Division, Department of Revenue; Kathy Hansen, Executive Director, Southeast Alaska Fishermen's Alliance, Juneau; Pat Davidson, Legislative Auditor, Legislative Audit Division

PRESENT VIA TELECONFERENCE

Mr. Ken Duckett, Executive Director, Southeast Alaska Gillnetters; Mr. Brennon Eagle, Wrangell

SUMMARY

HB 444 An Act relating to direct marketing fisheries businesses, to the fisheries business tax, and to liability for payment of taxes and assessments on the sale or transfer of fishery resources; and providing for an effective date.

HB 444 was heard and HELD in Committee for further consideration.

HB 424 An Act relating to review of regulations under the Administrative Procedure Act by the Legislative Affairs Agency; and providing for an effective date.

CS HB 424(JUD) was REPORTED out of Committee with individual recommendations and two zero fiscal notes and one indeterminate fiscal note.

HB 464 An Act extending the termination date of the Board of Certified Real Estate Appraisers

HB 464 was heard and HELD in Committee for further consideration.

SB 291 An Act extending the transition period for activities involving unstamped cigarettes; and providing for an effective date.

SB 291 was heard and HELD in Committee for further consideration.

#HB444

HOUSE BILL NO. 444

An Act relating to direct marketing fisheries businesses, to the fisheries business tax, and to liability for payment of taxes and assessments on the sale or transfer of fishery resources; and providing for an effective date.

REPRESENTATIVE PEGGY WILSON explained that HB 444 is the companion bill to Senator Stedman's SB 286. The House Special Committee on Fisheries recommended the legislation. It intends to encourage value-added processing and direct marketing for local fishermen. It would lower their tax from 5% to 3% because the current tax structure discriminates against small boat fishermen who process and market their own catch directly. These fishermen are taxed at the same rate as the large floating processors. The bill also clarifies that the tax is to be charged on the wholesale and not the retail value of the product.

IAN FISK, STAFF TO SENATOR BERT STEDMAN, explained that the change in the tax rate from 5% to 3% for direct marketers would bring the mainly Alaskan vessels into line with the rate paid by the shore plants. He said that because the vessels operate out of Alaskan communities where they spend money to re-supply, it is felt to be the fair rate to tax small businesses. Importantly, it changes the point of taxation. Currently the processor pays the fisheries business tax based on the grounds price, or the price the fisherman receives on delivering to the dock. The direct

marketer's tax is assessed at the first point of sale further down the supply chain, and it's often the retail price or the second wholesale price. He pointed out that it's a disincentive to add value to the resource.

Mr. Fisk explained that the bill rectifies the due dates for all taxes that direct market businesses have to pay. Currently the businesses pay the Fisheries Business Tax collected no later than April 1 of the following year. A salmon fisherman is responsible for the enhancement tax for hatcheries and the salmon marketing assessments that are currently collected monthly. This bill simplifies their accounting and tax payment systems.

Mr. Fisk pointed out that the bill applies to vessels of 65 feet and less, and it conforms to one of the licenses from the Department of Environmental Conservation. The bill applies only to product caught and sold by the same fisherman. In terms of fiscal impacts, the bill is revenue neutral. He concluded that the bill would level the playing field to enable small businesses to take advantage of direct markets.

Representative Foster referred to the fiscal note and asked whether the funding of the Tax Technician II position is \$25 thousand. Mr. Fisk affirmed, and said that it will be \$25 thousand in the first year because it will be the first year the tax will be collected. It is not required to be a year-round position. The position the Department is requesting is reflected in the \$50.2 figure. Representative Foster asked if it would cost the state \$50 thousand a year to save the fishermen money. Mr. Fisk replied that the Department of Revenue felt it would be needed to assure compliance with the new law.

KEN DUCKETT, EXECUTIVE DIRECTOR, UNITED SOUTHEAST ALASKA GILLNETTERS, VIA TELECONFERENCE, expressed strong support for the bill. He said that the fishermen have experienced a number of seasons of very low prices and they are working to survive by attempting to add value to their catch. He felt that this bill would facilitate that. He referenced their letter of support (copy on file.)

BRENNON EAGLE, VIA TELECONFERENCE, WRANGELL, explained that he has direct-marketed salmon, halibut and shrimp for 12 years. He expressed strong support for both parts of the bill to define the value and lower the tax rate to put fishermen on an equal footing with shore-based processors. He expressed that this bill is part of the solution and it is important to pass it this year to encourage this segment of the industry.

KATHY HANSEN, EXECUTIVE DIRECTOR, SOUTHEAST ALASKA FISHERMEN'S ALLIANCE, JUNEAU, stated that the Salmon

Industry Task Force has worked intensively on this legislation during the past two years. It is a compromise bill resulting from work with industry, processors and all three agencies involved in direct marketing. She said that it is a tightly woven compromise that had unanimous support from the Salmon Industry Task Force, and it basically involves tax parity and a better business environment for small businesses.

HB 444 was heard and HELD in Committee for further consideration.

#HB424

HOUSE BILL NO. 424

An Act relating to review of regulations under the Administrative Procedure Act by the Legislative Affairs Agency; and providing for an effective date.

Co-Chair Williams announced that the sponsor of HB 424 had agreed to zero out the fiscal notes.

Co-Chair Harris MOVED to report CS HB 424(JUD) out of Committee with the accompanying fiscal notes and individual recommendations. There being NO OBJECTION, it was so ordered.

CS HB 424(JUD) was REPORTED out of Committee with two zero fiscal notes, one indeterminate fiscal note, and individual recommendations.

#HB464

HOUSE BILL NO. 464

An Act extending the termination date of the Board of Certified Real Estate Appraisers.

PAT DAVIDSON, LEGISLATIVE AUDITOR, LEGISLATIVE AUDIT DIVISION, explained that the Division has done a review of the Board and has recommended its extension for a period of four years, to June 30, 2008. The Division has no operational recommendations for the Board. She noted that the licensing for real estate appraisers is found in the federal regulations in response to the congressional 1989 Financial Institutions Reform Recovery and Enforcement Act. The intent of the Act was twofold: to ensure that federally related transactions, or mortgages having involvement by Freddie Mac and Fannie Mae, would be completed by real estate appraisers who met minimum qualifications; and secondly, that the appraisals were conducted in compliance with uniform standards.

Representative Foster asked how often the Board meets. Ms. Davidson was unsure, but thought it was twice a year.

Representative Foster asked if the fiscal note reflected the Board's travel and per diem. Ms. Davidson explained that the Board's costs include licensing, the licensing examiner, travel and per diem, and costs related to investigative functions. Representative Foster asked if appraisers pay a licensing fee each year. Ms. Davidson answered that fees for occupational licensing are on a biannual basis.

Representative Fate questioned why the revenue of the Board dropped from \$77 thousand to \$18 thousand in the year spanning 2001-2002. Ms. Davidson replied that it reflects the biannual licensing. The big influx of revenues during the year of licensing drops during the year it's carried forward. The Division has analyzed the Board on the cumulative 2-year basis when considering if the fee covers its costs. She referred to page 12 of the report (copy on file), noting that the schedule shows a cumulative deficit for the Board. Ms. Davidson pointed out that the renewal fees have been increased, which is expected to increase revenues by 45% to sufficiently address the deficit.

RICK URION, DIRECTOR, DIVISION OF OCCUPATIONAL LICENSING, DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT, commented that the bill extends the Board. He brought up a housekeeping amendment for the committee's consideration.

Co-Chair Harris pointed out that only the Co-Chairs had copies of the amendment. Co-Chair Williams advised that amendments must be provided to the committee the day before the hearing on a bill.

Mr. Union explained that the bill's sponsor didn't know that the bill would be heard in the committee today.

Co-Chair Harris MOVED to ADOPT Amendment 1. Co-Chair Williams OBJECTED.

Co-Chair Williams announced that HB 464 would be moved to the bottom of the calendar.

#SB291  
SENATE BILL NO. 291

An Act extending the transition period for activities involving unstamped cigarettes; and providing for an effective date.

SENATOR CON BUNDE explained that the bill addresses the unfair treatment of tobacco product retailers conducting legitimate business. The Legislature passed a tobacco tax and subsequently also required cigarettes to be stamped to track who was paying the tax, so that legitimate retailers would not be at a financial disadvantage to the black

market. The original legislation gave the retailers a 90-day window to dispose of unstamped stock when the legislation passed. It appeared to be an adequate time period because manufacturers previously had a policy that any excess stock could be returned to the manufacturer. The manufacturers have since ended that practice, putting the burden on the Alaskan retailers. The bill would extend the deadline from March 31 to June 30, 2004 for holding unstamped cigarettes. It is an adequate time period for selling unstamped cigarettes. Senator Bunde said that if the bill does not pass, the retailers' unstamped stock would be confiscated.

Representative Fate asked if the sponsor had studied the turnover rate of cigarette sales, and whether June 30, 2004 is an adequate time period for the depletion of the stock. Senator Bunde deferred to Ms. Bales.

JOHANNA BALES, AUDITOR, TAX DIVISION, DEPARTMENT OF REVENUE, noted that she is also the Program Manager for the Cigarette and Tobacco Products Tax, and has worked in this tax type since 1997. She explained that the normal shelf life for cigarettes is 4-6 months, so given the additional 90 days in the bill; the retailers would have a full six-month period since the cigarette stamp legislation was enacted. She anticipated that some retailers would still have product on hand, but most retailers indicated that the additional 90-day period would be sufficient.

Co-Chair Harris asked if this would allow for a \$1 a pack tax increase on stamped cigarettes. Senator Bunde replied that he doubted it, considering the bill title.

Representative Hawker questioned why the cigarette manufacturers' liberal return goods policy has changed. Ms. Bales replied that the Tobacco Master Settlement Agreement has driven the return goods policy. In the past, the manufacturers allowed distributors and retailers to return product for the retail price on the day it was returned, regardless of what they paid for it. One manufacturer told Ms. Bales that the return goods policy was felt to be "liberal to the point of stupidity." The return goods policy changed after SB 168 was signed into law, without notice that this would happen.

Vice-Chair Meyer requested clarification that the tobacco companies' decision not to take product back is not related to the passage of the tobacco stamp and relates instead to the Master Settlement, and asked if it is happening in other states. Ms. Bales affirmed that it has been instituted nationwide. She explained that the Division tried to work with the manufacturers to allow a window to take product back after the stamp was enacted, but the manufacturers were concerned that it would set a precedent with other states.

Vice-Chair Meyer asked how much inventory would need to be sold. Ms. Bales was unsure. She pointed out that the Division came to a compromise with the manufacturers who agreed to take product back temporarily, allowing the Division under statute to give a credit to the distributors but not to the retailers. The Division believed that the retailers would be given a full 90-day period, but the retailers have continued to get unstamped product from the distributors who used the initial 90-day period to sell off their unstamped product. The retailers haven't been given a 90-day period like the distributors. The Division has been given assurances by the distributors that all of their product will be stamped by the end of March 2004.

Vice-Chair Meyer asked how it is known that 90 days is enough time for retailers to sell the product. Ms. Bales admitted that it would not be enough time for all of the retailers. The Division told the retailers that they could have "fire sales" and reduce their prices without violating the minimum pricing laws that were enacted at the same time. The retailers she had spoken with felt that 90 days would be adequate.

Vice-Chair Meyer asked if Alaska Bush retailers would be adversely impacted by selling by July 1 if they had stockpiled product. Ms. Bales replied that she had received about 100 calls from across the state indicating that the 90-day extension would be an adequate amount of time.

Senator Bunde clarified that the intent of the bill is to ensure that the tax laws are enforced, because an open-ended extension would allow some businesses to circumvent the tax laws, an unfair advantage.

Vice-Chair Meyer agreed with collecting the tax as soon as possible, stating that it should be implemented immediately. He questioned the time period of the extension, and disagreed with allowing a "fire sale" because it would not discourage kids from smoking.

Senator Bunde expressed that a "bonfire sale" might be good. He pointed out that the distributors have moved their unstamped product, so it involves a lower volume of cigarettes at the retailer level.

Vice-Chair Meyer asked if the extent of the black market is known and how much product is bought off the Internet. Ms. Bales replied that the Division has some preliminary data on the number of stamps sold over the past few months, which would yield an increase in cigarette tax revenues if the current rate holds steady. She said that she has talked to retailers who have been buying product on the Internet and violating the tax laws for years, as well as not getting the stamp affixed.

Representative Chenault commented that he knows a person who received a bill from the Department of Revenue a year after buying cigarettes over the Internet. He asked if retailers are required to turn in names of persons who buy cigarettes over the Internet. Ms. Bales affirmed. Representative Chenault voiced that he did not think Internet sales pose a major problem. Currently he could have cigarettes sent to him from out of state without paying any tax, and run the very small risk of prosecution for smuggling. The State wants to ensure that it gets every dollar for every pack of cigarettes sold in the state, which he implied is the real reason the state has chosen to stamp cigarettes.

Senator Bunde clarified that the stamp simply allows enforcement of the current law. He agreed with Representative Chenault that the incentive behind raising the tax is to make smoking more expensive and less attractive.

Vice-Chair Meyer commented that his concern prompting the question about the black market related to receiving an email message saying, "start smoking now and get cheap cigarettes." He asked if military bases are exempt. Ms. Bales affirmed. Vice-Chair Meyer asked how it works if a member of the military lives off base. Ms. Bales explained that federal law prohibits the State from taxing sales to the military, but there is a mandate to the military to sell cigarettes at no less than 90% of the surrounding market. She had been in stores on base and observed that the prices are not significantly different than retail prices. Ms. Bales said that the Department doesn't see a problem with the military.

Vice-Chair Meyer asked if the stamp applies to chewing tobacco, snuff and pipe tobacco. Ms. Bales explained that the stamps are not affixed to other tobacco products because all cigarette packages are about the same size, while other products are of varied size. She was not aware of any other state requiring a stamp on tobacco products other than cigarettes.

SB 291 was heard and HELD in Committee for further consideration.

#HB464

HOUSE BILL NO. 464

An Act extending the termination date of the Board of Certified Real Estate Appraisers.

Co-Chair Williams noted the previous motion on Amendment #1, and he asked Mr. Urion to explain the amendment.

RICK URION, DIRECTOR, DIVISION OF OCCUPATIONAL LICENSING, DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT, explained that the proposed amendment attempts to solve a long-standing issue with the Department. The amendment was in a bill that the Governor intended to introduce last session before other legislation assumed priority. The amendment is not currently in a bill. Mr. Urion said that the Division of Occupational Licensing is mandated by law to charge fees for any profession that it licenses, and the fees cover the costs of regulation. It has been assumed that fines for professional violations are included in those fees, but Mr. Urion pointed out that the law does not allow for this. Although the collected fines have always been divided among occupations, the Division has been told that it cannot use those fines under the current ethics law, and that it may be in violation of that law.

Mr. Urion continued explaining that the proposed amendment allows the division to continue its practice, and every licensed professional in the state supports it. He explained that disciplinary action involving hearing officers, investigators and attorney generals is one of the biggest expenses borne by each profession. He said that it only seems fair that the professions should also reap the benefits of the fines arising from those actions. He noted that the annual average is \$66 thousand, and the licensing of thousands of people reaps a tiny benefit. The amendment would allow the Division to take the fines it collects from a profession and add them to the fees charged for the license.

Amendment #1 reads:

23-LS1706\A.1  
Mischel

#### A M E N D M E N T

OFFERED IN THE HOUSE  
TO: HB 464

BY REPRESENTATIVE SAMUELS

Page 1, line 2, following "Appraisers":  
Insert "; and relating to occupational licensing fees  
and receipts"

Page 1, following line 3:  
Insert new bill sections to read:  
"\* **Section 1.** AS 08.01.065(c) is amended to read:  
(c) **The** [EXCEPT AS PROVIDED IN (f) - (i) OF THIS  
SECTION, THE] department shall establish fee levels

under (a) of this section so that the total amount of fees, together with the fines and penalties collected for all occupations regulated by a board [AN OCCUPATION] approximately equals the total actual [REGULATORY] costs of the board and the department for all occupations regulated by that board [FOR THE OCCUPATION]. If the department regulates more than one occupation under another chapter of this title, the department shall establish the fee levels so that the total amount of fees, together with the fines and penalties collected by the department for all occupations regulated by the department under that chapter, approximately equals the total actual costs of the department for all of the occupations regulated by the department under that chapter. The department shall annually review each fee level to determine whether the [REGULATORY] costs for the relevant occupations [OF EACH OCCUPATION] are approximately equal to the fines, penalties, and fee collections related to those occupations [THAT OCCUPATION]. If the review indicates that the fines, penalties, and [AN OCCUPATION'S] fee collections [AND REGULATORY COSTS] are not approximately equal to the costs for the relevant occupations, the department shall calculate fee adjustments and adopt regulations under (a) of this section to implement the adjustments. In January of each year, the department shall report on all fee levels and revisions for the previous year under this subsection to the office of management and budget. If a board regulates an occupation or group of occupations covered by this chapter, the department shall consider the board's recommendations concerning occupational [THE OCCUPATION'S] fee levels and [REGULATORY] costs before revising fee schedules to comply with this subsection. [IN THIS SUBSECTION, "REGULATORY COSTS" MEANS COSTS OF THE DEPARTMENT THAT ARE ATTRIBUTABLE TO REGULATION OF AN OCCUPATION PLUS

(1) ALL EXPENSES OF THE BOARD THAT REGULATES THE OCCUPATION IF THE BOARD REGULATES ONLY ONE OCCUPATION;

(2) THE EXPENSES OF A BOARD THAT ARE ATTRIBUTABLE TO THE OCCUPATION IF THE BOARD REGULATES MORE THAN ONE OCCUPATION.]

\* **Sec. 2.** AS 08.01.065(f) is amended to read:  
(f) [NOTWITHSTANDING (c) OF THIS SECTION, THE DEPARTMENT SHALL ESTABLISH FEE LEVELS UNDER (a) OF THIS SECTION SO THAT THE TOTAL AMOUNT OF FEES COLLECTED BY THE STATE BOARD OF REGISTRATION FOR ARCHITECTS, ENGINEERS, AND LAND SURVEYORS APPROXIMATELY EQUALS THE TOTAL REGULATORY COSTS OF THE DEPARTMENT AND THE BOARD FOR ALL OCCUPATIONS REGULATED BY THE BOARD.] The department shall set [THE] fee levels under (a) of this section [FOR THE ISSUANCE AND RENEWAL OF A CERTIFICATE

OF REGISTRATION ISSUED UNDER AS 08.48.211] so that the fee levels are the same for all occupations regulated by the State Board of Registration for Architects, Engineers, and Land Surveyors under AS 08.48 [BOARD].

- \* **Sec. 3.** AS 08.01.065(g) is amended to read:
  - (g) [NOTWITHSTANDING (c) OF THIS SECTION, THE DEPARTMENT SHALL ESTABLISH FEE LEVELS UNDER (a) OF THIS SECTION SO THAT THE TOTAL AMOUNT OF FEES COLLECTED BY THE DEPARTMENT FOR ALL OCCUPATIONS REGULATED UNDER AS 08.11 APPROXIMATELY EQUALS THE TOTAL REGULATORY COSTS OF THE DEPARTMENT FOR ALL OCCUPATIONS REGULATED BY THE DEPARTMENT UNDER AS 08.11.] The department shall set [THE] fee levels under (a) of this section [FOR THE ISSUANCE AND RENEWAL OF LICENSES ISSUED UNDER AS 08.11] so that the fee levels are the same for all occupations regulated by the department under AS 08.11.
- \* **Sec. 4.** AS 08.01.065(i) is amended to read:
  - (i) [NOTWITHSTANDING (c) OF THIS SECTION, THE DEPARTMENT SHALL ESTABLISH FEE LEVELS UNDER (a) OF THIS SECTION SO THAT THE TOTAL AMOUNT OF FEES COLLECTED BY THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT FOR SPECIALTY CONTRACTORS, HOME INSPECTORS, AND ASSOCIATE HOME INSPECTORS APPROXIMATELY EQUALS THE TOTAL REGULATORY COSTS OF THE DEPARTMENT FOR THOSE THREE REGISTRATION CATEGORIES.] The department shall set [THE] fee levels under (a) of this section [FOR THE ISSUANCE AND RENEWAL OF A CERTIFICATE OF REGISTRATION ISSUED UNDER AS 08.18] so that the fee levels are the same for specialty contractors, home inspectors, and associate home inspectors under AS 08.18 [ALL THREE OF THESE REGISTRATION CATEGORIES] and so that the fee level for a home inspector with a joint registration is not different from the fee level for a home inspector who does not have a joint registration. In this subsection, "joint registration" has the meaning given in AS 08.18.171."

Page 1, line 4:  
Delete "**Section 1**"  
Insert "**Sec. 5**"

Page 1, following line 6:  
Insert new bill sections to read:  
"\* **Sec. 6.** AS 37.05.146(c)(24) is amended to read:  
(24) receipts of the Department of Community and Economic Development under AS 08.01.065 and from fines and penalties collected in licensing and disciplinary actions for occupations under AS 08.01.010 [AS 08.01.065(a), (c), AND (f)];  
\* **Sec. 7.** AS 08.95.920 is repealed."

Co-Chair Harris questioned how it would differ from the courts' decision that their collected fines go directly to the General Fund to be appropriated by the Legislature.

**TAPE HFC 04 - 66, Side B**

Co-Chair Harris continued, asking for clarification that when the Division imposed a fine, the fine returns for use by the Division rather than appropriation by the Legislature. Mr. Urion affirmed.

PAT DAVIDSON, LEGISLATIVE AUDITOR, LEGISLATIVE AUDIT DIVISION, replied that Mr. Urion brought up an issue that concerns the Legislative Audit Division relating to including the fines. She noted that there are a couple of boards with fewer than 30 licensees, and a fine of a couple thousand dollars spread across only 25 or 30 licensees would mean a benefit of only a couple hundred dollars to the board which decided to impose the fine. The concern is that a combination of a certain board and a certain fine could raise questions about the Executive Branch Ethics Act.

With regard to the concern about other statutes, Ms. Davidson said it is her understanding that imposing a fine must take place through a due process conducted by an unbiased individual. Otherwise, it may end up in court on the allegation that the board can't impose a fine that is so high that the board may appear to benefit from it. Ms. Davidson said that those are the only arguments she has heard with respect to including the fines in the calculation of the fees.

Co-Chair Harris asked what the fines are imposed for. Mr. Urion replied that it's varied and includes unlicensed practice and drug and alcohol abuse. In response to a question by Co-Chair Harris, Mr. Urion answered that fines are not imposed for criminal activity. The people who are licensed pay enforcement.

Co-Chair Harris asked if there is an unbiased or neutral way these fines could be appealed. Mr. Urion explained that a hearing officer makes the decision, the board says "yea" or "nay," and the defendant can accept it, or reject it and take it to the next higher court.

Co-Chair Harris asked who pays for the legal fees if it is taken to the next higher court, and if the state reimburses the legal costs if the person is found innocent. Mr. Urion replied that to his knowledge, it has never happened before.

In response to a question by Co-Chair Harris, Mr. Urion replied that the cases taken to higher court have never prevailed. The hearing officers' decisions are extremely well written and thorough. He gave the example of a recent

\$20 thousand fine in the real estate industry, and said that the defendant accepted it. He stated that the infraction had been going on for years, and it was the highest fine ever levied.

In response to a question by Co-Chair Harris. Mr. Urion explained that Amendment #1 applies to all the boards and commissions of every profession.

Representative Hawker commented that the bill seems to change the character of how the state assesses occupations, from the individual to the collective. He asked if that is the intent. Mr. Urion replied that it is current practice, and would allow an apprentice to pay less than a licensee.

Representative Hawker thought that the bill indicates that occupations are regulated by an individual board, and would have to meet the costs of that board. Mr. Urion said that is true.

Representative Stoltze expressed concern that the amendment has merit as a stand-alone bill, and he didn't want to see the bill extending the real estate appraisers bogged down with this amendment when the administration has the ability to introduce it through the Rules Committee. It's a policy consideration.

Co-Chair Williams stated that it was not his intention to move the bill today.

Mr. Urion responded to Representative Stoltze, explaining that he had brought the amendment before Labor & Commerce Committee, and the Committee wanted to move the bill and let Finance make the decision. He would have introduced it in a bill if he could have.

Co-Chair Harris asked how long the bill has been sitting in Co-Chair Williams's office. Mr. Urion was unsure. Co-Chair asked why the amendment was not incorporated into a Finance Committee Substitute through the office of the Co-Chairman. Mr. Urion apologized, and said that he tried to do it through the sponsor who was wary of killing the real estate appraisers bill. He asserted that this is an appropriate vehicle and title, and that every licensed profession supports the amendment.

Co-Chair Williams expressed concern that the committee members did not have the amendment earlier, and he suggested that Mr. Urion talk to the Finance members individually.

HB 464 was heard and HELD in Committee for further consideration.

#### ADJOURNMENT

The meeting was adjourned at 2:40 P.M.