

**ALASKA STATE LEGISLATURE
SENATE COMMUNITY AND REGIONAL AFFAIRS STANDING COMMITTEE**

May 4, 2006

4:11 p.m.

MEMBERS PRESENT

Senator Bert Stedman, Chair
Senator Gary Stevens, Vice Chair
Senator Thomas Wagoner
Senator Johnny Ellis
Senator Albert Kookesh

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

CS FOR HOUSE BILL NO. 475(FIN) am
"An Act relating to the supplemental employee benefit program; relating to teachers' and public employees' defined benefit retirement plans; relating to teachers' and public employees' defined contribution retirement plans that apply to employees first hired after June 30, 2007; relating to the Health Reimbursement Arrangement for certain teachers and public employees; clarifying eligibility for membership in the Health Reimbursement Arrangement; relating to waiver of adjustments under the teachers' defined benefit retirement plan and the public employees' defined benefit retirement plan; relating to the administrator of the Public Employees' Retirement System of Alaska; relating to employer contributions for occupational disability and death benefits; repealing participation in the teachers' defined contribution and defined benefit retirement plans by certain employees of the National Education Association of Alaska; relating to requirements for employer minimum contributions to the teachers' and the public employees' defined benefit retirement systems; relating to the public employees' defined benefit deferred compensation program; providing for an effective date by amending sec. 148, ch. 9, FSSLA 2005, which contains an effective date; and providing for an effective date."

MOVED SCS CSHB 475(CRA) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HB 475

SHORT TITLE: PUB EMPLOYEE/TEACHER RETIREM'T/SBS/D.C.

SPONSOR(s): REPRESENTATIVE(s) SEATON

02/13/06	(H)	READ THE FIRST TIME - REFERRALS
02/13/06	(H)	STA, FIN
02/23/06	(H)	STA AT 8:00 AM CAPITOL 106
02/23/06	(H)	Heard & Held
02/23/06	(H)	MINUTE(STA)
02/28/06	(H)	STA AT 8:00 AM CAPITOL 106
02/28/06	(H)	Scheduled But Not Heard
03/02/06	(H)	STA AT 8:00 AM CAPITOL 106
03/02/06	(H)	Heard & Held
03/02/06	(H)	MINUTE(STA)
03/07/06	(H)	STA AT 8:00 AM CAPITOL 106
03/07/06	(H)	Heard & Held
03/07/06	(H)	MINUTE(STA)
03/14/06	(H)	STA AT 8:00 AM CAPITOL 106
03/14/06	(H)	Moved CSHB 475(STA) Out of Committee
03/14/06	(H)	MINUTE(STA)
03/17/06	(H)	STA RPT CS(STA) NT 1DP 3NR 3AM
03/17/06	(H)	DP: SEATON;
03/17/06	(H)	NR: GATTO, ELKINS, RAMRAS;
03/17/06	(H)	AM: GARDNER, LYNN, GRUENBERG
04/11/06	(H)	FIN AT 1:30 PM HOUSE FINANCE 519
04/11/06	(H)	Scheduled But Not Heard
04/12/06	(H)	FIN AT 8:30 AM HOUSE FINANCE 519
04/12/06	(H)	Heard & Held
04/12/06	(H)	MINUTE(FIN)
04/12/06	(H)	FIN AT 1:30 PM HOUSE FINANCE 519
04/12/06	(H)	Heard & Held
04/12/06	(H)	MINUTE(FIN)
04/19/06	(H)	FIN AT 1:30 PM HOUSE FINANCE 519
04/19/06	(H)	Moved CSHB 475(FIN) Out of Committee
04/19/06	(H)	MINUTE(FIN)
04/20/06	(H)	FIN RPT CS(FIN) NT 1DP 6NR 3AM
04/20/06	(H)	DP: KELLY;
04/20/06	(H)	NR: HOLM, FOSTER, STOLTZE, WEYHRAUCH, MEYER, CHENAULT;
04/20/06	(H)	AM: HAWKER, KERTTULA, JOULE
04/26/06	(H)	TRANSMITTED TO (S)
04/26/06	(H)	VERSION: CSHB 475(FIN) AM
04/27/06	(S)	READ THE FIRST TIME - REFERRALS
04/27/06	(S)	CRA, STA, FIN
05/04/06	(S)	CRA AT 1:30 PM FAHRENKAMP 203

WITNESS REGISTER

Melanie Millhorn, Director
Division of Retirement and Benefits
Department of Administration
Juneau, AK 99801
POSITION STATEMENT: Introduced HB 475

Mary Beth Braitman
Ice Miller LLP
One American Square, Suite 3100
Indianapolis, IN 46282-0200
POSITION STATEMENT: Provided information related to HB 475

David Slishinsky, Actuary
Buck Consultants
POSITION STATEMENT: Provided information related to HB 475

Katherine Shows, Staff
Representative Paul Seaton
Alaska State Capitol
Juneau, AK 99801-1182
POSITION STATEMENT: Provided information related to HB 475

Michael Lamb, Chief Financial Officer
Fairbanks North Star Borough
P.O. Box 71267
Fairbanks, AK 99707
POSITION STATEMENT: Testified on HB 475

Pete Hallgren, Administrator
City of Delta Junction
P.O. Box 229
Delta Junction, AK 99737
POSITION STATEMENT: Testified on HB 475

Pat Luby, Director
AARP
Juneau, AK 99801
POSITION STATEMENT: Testified on HB 475

Ron Wolf, Chief Financial Officer
City of Fairbanks
800 Cushman Street
Fairbanks, AK 99701
POSITION STATEMENT: Testified on HB 475

Tom Harvey, Executive Director

NEA-Alaska
114 Second Street
Juneau, AK 99801

POSITION STATEMENT: Testified on HB 475

ACTION NARRATIVE

CHAIR BERT STEDMAN called the Senate Community and Regional Affairs Standing Committee meeting to order at [4:11:37 PM](#). Present were Senators Albert Kookesh, Johnny Ellis, Thomas Wagoner, Gary Stevens, and Chair Bert Stedman.

CSHB 475(FIN) -PUB EMPLOYEE/TEACHER RETIREM'T/SBS/D.C.

[4:12:04 PM](#)

CHAIR BERT STEDMAN announced HB 475 to be up for consideration. He motioned to adopt Version C for HB 475 and objected for discussion purposes. He asked Ms. Millhorn to provide an overview of HB 475.

MELANIE MILLHORN, Director, Division of Retirement and Benefits, Department of Administration, stated that the primary reason for the bill is to ensure that the benefits for the defined contribution plan under SB 141 are enacted as intended. She noted that the benefit provisions are the same for both PERS and TRS.

She directed attention to the bulleted summary of the 32 changes contained in HB 475 and noted that further explanation of the changes could be found in the sectional analysis or the bill itself. Since SB 141 passed last year the Department of Law, the Division of Retirement & Benefits, and outside expert legal tax advisors have conducted extensive research to ensure that the provisions that are applicable in SB 141 conform to IRS standards and to what the Legislature intended.

During the review, three areas became the focus and are encompassed in CSHB 475. Those areas include occupational death and disability benefits; Internal Revenue Service Code provisions; and provisions related to employer participation in the new defined contribution plan.

[4:16:25 PM](#)

MS. MILLHORN informed members that 14 of the 32 proposed changes address occupational death and disability benefits and some of the key factors found in HB 475 address: funding of the benefits; annual inflation proofing for the benefits; protection and clarification of the retirement benefits when a member is on disability and a survivor is receiving benefits; and a medical cost sharing provision.

Death and disability benefits are intended to provide income in the event that a member is occupationally injured or the member dies while performing job duties. SB 141 also has provisions that allow for a retirement benefit to be established at the time that the member goes to normal retirement.

Sections 8 and 46 relate to funding the benefits for occupational death and disability. They provide statutory authority for funding for TRS occupational death and disability benefits and for funding PERS disability for police officer and fire fighter monthly retirement benefits that may be elected upon eligibility for normal retirement. Those particular sections also establish a trust account clarifying that the contributions are treated differently and are kept separate from contributions for the individual plan member's defined contribution account.

Section 54 specifies that the monthly pension benefit elected by a disabled police officer or fire fighter will be paid first from the member's individual account and then from the trust account that is established under AS 39.35.750(e). That change is consistent with the method of payment that is applied under the current defined benefit plan.

Sections 18 and 57 describe the annual inflation proofing associated with death and disability benefits. They add an annual adjustment for individuals who are receiving disability benefits and to the retirement benefits elected by disabled police officer and fire fighter members under AS 39.35.890(h)(2). It is either 75 percent of the increase in the Anchorage Consumer Price Index (CPI) or 9 percent - whichever is less.

Sections 22 and 61 add an annual adjustment to the survivor's pension benefit that is equal 50 percent of the increase in the Anchorage CPI or 6 percent - whichever is less.

MS. MILLHORN stated that both annual inflation proofings comport with the existing formula that is found under the defined

benefit plans for Tier 2 and Tier 3 TRS members. She reminded members that the Legislature wanted the death and disability benefits to agree with the statutorily defined benefits for Tier 2 and Tier 3 TRS members so that is accomplished here.

Sections 16, 20, 55, and 59 clarify that a disabled member or the survivor of a deceased member is not entitled to elect distributions from the member's individual account while receiving disability or survivor benefits. That's important because the employer continues to make contributions into the account while the individual is receiving either disability or survivor benefits. Therefore the account is preserved and will be available to the individual at normal retirement age.

Sections 13, 16, 51 and 55 clarify that a period of disability or survivor benefits constitutes membership service for purposes of eligibility for the retirement medical benefits including the Health Reimbursement Arrangement.

Sections 22 and 61 provide that a person whose disability or survivor benefits are terminated due to eligibility for normal retirement will be treated as though the person is eligible for Medicare regardless of age.

Sections 11 and 49 deal with anti selection and require that members who waive the medical benefit must provide proof of insurability.

[4:24:12 PM](#)

MS. MILLHORN reviewed plan provisions related to the Internal Revenue Code. Consultants from Ice Miller were hired in December 2005 and they provided expert tax advice so that the new hybrid plan provisions comport. In order to receive plan determination letters from the IRS the new hybrid plan must have a certain structure. Certain benefits are fixed and guaranteed while others are defined contribution plan.

Sections 5, 6, 9, 10, 23, 43, 44, 47, 48, and 62 provide conforming provisions for a favorable plan ruling from the IRS. The hybrid plan established by SB 141 contains both defined benefits and defined contributions and is referred to as a 414(k) Plan. She noted that Ice Miller conformed the benefits in SB 141 to meet legislative intent and to get positive favorable plan determination letters.

The plan establishes: individual accounts; occupational death and disability funds; health and welfare benefit funds; and a Health Reimbursement Arrangement fund. Under the defined contribution (DC) part of the plan the two components are the individual's defined contribution account and the Health Reimbursement Arrangement. Under the defined benefit (DB) part of the plan there are five elements. They are occupational disability benefit; the survivor's benefit; survivor's pension for police and firefighter; and the retirement benefit chosen by police and firefighters; and a cost-share retiree health insurance. HB 475 provides conforming language to ensure that necessary criteria are met.

Sections 14 and 52 relate to occupational death and disability and they provide "that a member who receives disability benefits from the plan is 100 percent vested in all the employer contributions made to the member's individual account, regardless of years of service worked, once the member is appointed to disability. The employer must also make the member's contributions to the individual contribution account."

Sections 16, 21, 55, and 60 are survivor benefits funded by the occupational death and disability fund. It revises language related to the continuing contributions employers make on behalf of survivors of members who died occupationally. The contributions will be placed in a trust account that is established for occupational and death benefits and not into a deceased person's account.

Internal Revenue Code 415(c) relates to contribution limitations in four areas. Those are: contributions on behalf of survivors; employer match upon conversion; voluntary employee contributions; and employer conversion window.

Sections 21 and 60 relate to the contributions on behalf of survivors. "Unlike the special rules under 26 USC 415(c)(3)(C) that allow the compensation of a disabled member for any year subsequent to the disability to be considered equivalent to the rate of compensation immediately prior to the disability, there is no corresponding rule for a deceased participant. Thus, there would be no compensation for a deceased member in the year after death and, therefore, no allowable contributions to the deceased member's individual account."

Sections 24 and 63 address employer match upon conversion and clarify "that the employer match required under the conversion from the defined benefit plan to the defined contribution plan

is subject to Internal Revenue Code contribution limitations. The amendment limits the total employer match to the maximum allowed during the limitation year in which the transfer occurs." The reason for this is "Because the amount that an employer must match under the conversion option is 'new money,' it has never been subject to Code limitations. 26 USC 415(c) imposes an annual limit on contributions to a defined contribution plan to the lesser of \$44,000 or 100 percent of employee compensation."

Sections 7 and 45 address voluntary employee contributions and clarify "that any voluntary contributions made by an employee under AS 14.25340(b) can only be made with pre-tax dollars to the extent permitted under federal law."

[4:32:34 PM](#)

Sections 26, 27, 65, and 66 limit the employer conversion window, which is an IRS specification. They provide a 12-month window once the employer elects a conversion option for employees. After that the employee will have up to 12 months to make that conversion option. The employer is also allowed another 12-month period to select the conversion option for members who didn't make an initial selection.

[4:33:52 PM](#)

Section 68 deals with the guidelines for employer participation and termination from the defined contribution plan.

Sections 1,2, 36, and 37 deal with employer contribution amounts and say that the normal cost is only applied to the payroll base for the defined benefit members. The past service rate will be applied to the entire payroll base for employers. That provision will keep employer contribution rates for the defined benefit plan lower than would otherwise be calculated.

Sections 3, 38, 75, 78, 79 and 81 address the normal cost rate. The change delays "the effective date of the requirement of SB 141 that the employer contribution rate must be not less than the normal cost rate."

Section 33 deals with the health reimbursement contribution amount. It "changes the employer contribution from an individual employer contribution amount to a uniform employer contribution amount for all participants of the Health Reimbursement Arrangement Plan." There are currently 214 participating

employers under PERS and TRS and each has a different payroll base so the contribution amounts are diverse. Without the change the IRS might view the disparity as discriminatory.

MS. MILLHORN disputed the assertion that the division must have positive plan determination letters from the IRS before the bill is implemented because the division filed with the IRS in January 2006 and that preserves the right to make plan changes during a remedial period. She directed attention to the two letters from Ice Miller discussing the plan determination process.

4:40:22 PM

MARY BETH BRAITMAN, Ice Miller LLC, explained that her primary role is to work with public pension plans and related tax qualification matters. Her firm was asked to offer suggestions on the design of the hybrid plan in terms of the defined contribution benefits and the guaranteed or fixed benefits related to occupational death and disability and survivor benefits. Their purpose was to match legislative intent with Internal Revenue structures and based on that they suggested the clarifying amendments found in HB 475.

She explained that the IRS determination letter process is a way of guaranteeing that the structure of the plan meets IRS requirements. The process isn't required, but there are benefits to having a favorable determination letter, including the ability to self-correct and to ensure that the plan meets the latest IRS requirements.

According to IRS rules for a new government plan the remedial amendment period for the new program will run until January 31, 2008. She noted that the IRS appreciates that these are complex plans that require time to work out the administrative details.

She advised that the Department of Administration and the members of the plan are protected because of that remedial amendment period and the fact that a plan determination letter has been submitted. The IRS can provide comments and suggestions and ask questions, but Ice Miller is confident that the plan will ultimately be approved so the department will have a favorable determination letter to rely on in future years as well as the additional benefits described earlier. She emphasized that this isn't an unusual process and it does take time for the IRS to complete the review.

[4:47:15 PM](#)

DAVID SLISHINSKY, Actuary with Buck Consultants, explained that his company was hired in November 2005 to perform actuarial services for the State of Alaska retirement plans. He advised that using representative sample employees hired 7/1/06 through 6/30/07, they evaluated the cost of employer paid benefits under the current defined benefit plans versus the implementation of the new arrangement under SB 141 with the defined contribution plans. They looked at values of the pension benefits and the post employment health care benefits.

The value of employer paid benefits for PERS was calculated to be \$21,652 under the current defined benefit arrangement and \$16,791 under the new defined contribution plan. The \$4,861 difference indicates that the continuation of the current defined benefit plans would be slightly more expensive.

The same calculations were made for the TRS and the value under the current defined benefit arrangement was \$56,550 while the value under the new defined contribution plan arrangement was \$41,667. Continuing the current program for another year would result in an increase in cost of \$14,883 for an average new hire during the year. Actual cost would depend on the number of new hires.

KATHERINE SHOWS, Staff to Representative Paul Seaton, advised that the sponsor believes that the technical changes are needed for the successful implementation of SB 141.

At ease from [4:54:24 PM](#) to [4:54:53 PM](#).

MICHAEL LAMB, Chief Financial Officer, Fairbanks North Star Borough, stated support for HB 475 and advised that as an employer the borough is committing resources to implement the new benefit plan. The sooner there is certainty and an ability to respond to new employees' questions, the better off the borough, as an employer, will be. He suggested that other employers that are faced with implementation probably feel the same.

[4:56:44 PM](#)

PETE HALLGREN, Municipal Administrator for the City of Delta Junction, stated support for HB 475 with no delay in implementation. A delay would have serious negative repercussions for municipalities and the state government itself

because it would add thousands of new PERS/TRS employees to the roster and further increase the unfunded liability indebtedness.

[4:58:51 PM](#)

PAT LUBY, Advocacy Director for AARP, stated support for HB 475 with the one-year delay in implementation. The IRS hasn't accepted the plans as qualified and offering them to new employees before they're accepted would be gambling with the security of future educators, fire fighters, police officers and state municipal employees.

AARP urges the Legislature to take time to do this right by voting for a one-year delay and reviewing the impact of SB 141 on employees who don't have the defined benefit of Social Security.

At ease from [5:01:10 PM](#) to [5:02:29 PM](#).

RON WOLF, Chief Financial Officer for the City of Fairbanks, stated support for HB 475 with no delay in the effective date. He reported that the municipality has confidence that the change to defined contribution plans is the right thing to do.

TOM HARVEY, Executive Director of NEA-Alaska, referenced his letter supporting the delay in implementation of SB 141 and said he was pleased to note that some of the testimony that day was clearly in response to findings presented by independent actuaries that were hired by labor organizations.

He stated that NEA-Alaska believes there is a better solution than the one before the committee and he finds it reassuring that Ice Miller acknowledges that there is more than one way for states to get compliance. Having gone through remediation he said he knows that the process isn't as enjoyable as having the determinations made ahead of time.

MR. HARVEY continued to say:

What we are providing to you is the opportunity to have a fixed cost defined benefit plan - a fixed cost to the State of Alaska. That plan is been developed and we can put that into legislative form for this legislature to consider at a cost of about \$15,000 in terms of the IRS compliance and in terms of \$5,000 of actual drafting of the legislation. And you would have a plan in front of you that would provide you the guaranteed fixed cost - no extra liability. All of

what you wanted in SB 141 but one step further. A better hybrid plan than the one that's in SB 141 that had to be fixed by HB 475. But a plan in which the employees can support. I think that's important for the State of Alaska.

We know we've got the opportunity to present that plan to you if we have the one-year delay. We obviously don't have that opportunity without having to roll back a defined contribution plan.

Referencing the calculations that Ice Miller made, he said it appears that it would cost the state money to move from the Tier 3 PERS and Tier 2 TRS to the defined contribution plan. He stated agreement with Ms. Millhorn that the changes in HB 475 are needed to become compliant with the IRS, but that the change in the calculation of the payroll base that is used will drastically affect the Municipality of Anchorage and probably the City of Kenai. Their payroll bases are below the state average so their contribution rates will be increased.

He urged the committee to adopt HB 475 as it passed the House and not the Senate committee substitute presented here.

CHAIR STEDMAN asked Mr. Harvey to send his letter to his office and he'd distribute copies.

CHAIR STEDMAN closed the public hearing and removed his objection to adopting Version C as the working document.

SENATOR ELLIS objected and said:

HB 475 that's before the committee seems to me to be an admission that the bill from last year, SB 141, that was represented to us as a well thought through, well articulated, well detailed plan has turned out in retrospect ... after thorough analysis to have been - although with lots of good intentions, lots of good work, lots of long hours - to have had a lot of deficiencies and shortcomings. I think we all know that, admit that, understand that. I think there is probably more good work that could be done in this regard and a one-year delay would allow that so that we could be very careful and build support for a new approach to this.

I can't support the committee substitute that you put before us that eliminated the one-year period for further work.

5:12:05 PM

SENATOR ALBERT KOOKESH said he didn't know whether the Chair was planning to move the bill that day but he'd like the time to read and digest Mr. Harvey's letter.

CHAIR STEDMAN stated the intent is to move the bill today.

He asked for a roll call. The motion to adopt Version C Senate committee substitute for HB 475 as the working document passed with Senator Gary Stevens, Senator Wagoner, and Chair Stedman voting yea and Senator Ellis and Senator Kookesh voting nay.

SENATOR ELLIS motioned to conceptually amend Version C delaying implementation until July 1, 2008.

CHAIR STEDMAN objected and said that the only change in Version C is that the effective date was changed back to the original July 1, 2006.

SENATOR GARY STEVENS asked Ms. Millhorn how much it would cost to delay for one year.

CHAIR STEDMAN observed that the motion is for a two-year delay.

SENATOR ELLIS said that is preferable.

SENATOR GARY STEVENS asked the cost for a two-year delay.

MS. MILLHORN explained that the plan has now been delayed by one year and Buck Consultants has indicated that for a Tier 3 PERS member, the cost is about 29 percent higher and about 36 percent higher for TRS. Each year it's calculated that there would be about 4,400 new members or 8,800 new members over a two-year period. Those new member would have constitutionally protected benefits for pension and medical.

Other costs are not quantifiable, but in the division's view, there are certainly large costs associated with a delay, she said.

5:18:48 PM

SENATOR GARY STEVENS said he was looking for a dollar amount, but he could understand her reluctance to say.

SENATOR ELLIS asked if there had been an analysis of the impact of SB 141 on the state's ability to attract quality employees because a number of folks believe it will have a negative impact.

MS. MILLHORN replied:

We really believe if you look at the research and the redesign of the benefits that are provided under SB 141, those are rich and very generous benefits and actually Stateline just provided some research recently - and we know we've had a chronic recruitment/retention issue with teachers - and what Stateline has just recorded is that those graduates from college who are pursuing teaching certificates ... will change careers five to seven times and that 50 percent of teachers right now going forward turn over after five years. So I really believe - because there is an eight-year vesting schedule - I'm very confident that what we have in place, because of the design of those benefits that provide mobility without penalty - that we will be attractive.

Moreover, because there is a medical benefit that right now Workplace Economics researched all the state pension systems and 68 percent of those state pension systems right now provide a less rich benefit than our existing plan. So we know why those costs are there. 25 percent provide no medical cost, 44 percent in 2003 had a cost-share. What our medical plan is doing is it's realigning with the other pension systems that have a normal age retirement at age 65 and it is also cost sharing with the member to provide that benefit.

So I believe that, based on the research and based on the demographics of people moving from job to job and not wanting to have that penalty, that we actually are positioning ourselves very well. GASB, the Government Accounting Standards Board, has ruled that those other pension systems that provide a medical benefit, as of 2007 will have to report those pension medical benefits on an accrual basis. And what that suggests to me is that as soon as they have to account for those on an accrual basis their accounting and funding ratio is going to go down. It could have some impacts

to their ... bond rating. It can have all those kinds of impacts and there are media accounts of those benefits right now. What the State of Alaska has is it has well positioned itself to provide this medical benefit. It has a Health Reimbursement Arrangement that's a deferred vested benefit that an individual will be able to pay for medical expenses on a tax-preferred basis. Ten years, that's very attractive because we're asking the individual to cost-share.

Our plan design is very generous and it actually, the employers are the parties who have to look at recruitment and retention and also balance their budget. When they were surveyed in 2004, they indicated that they were no longer willing to pay for all of the rising medical costs and the loss of investment income and that they wanted a predictable stable employer contribution rate. At the same time they had to look at that plan design and align that with recruitment and retention and so we've received favorable support in that process.

I just do not see it. I realize that there is that issue out there and that people are concerned about it. I just believe that as soon as this plan is implemented and stood up that that is just not going to be an issue at all.

SENATOR ELLIS said time will tell.

CHAIR STEDMAN maintained his objection and asked for a roll call.

The conceptual amendment to Version C to delay implementation until July 1, 2008 failed with Senator Ellis and Senator Kookesh voting yea and Senator Wagoner, Senator Gary Stevens, and Chair Stedman voting nay.

[5:24:44 PM](#)

SENATOR ELLIS motioned to conceptually amend Version C delaying implementation until July 1, 2007.

CHAIR STEDMAN objected and asked for a roll call.

The motion failed with Senator Ellis and Senator Kookesh voting yea and Senator Wagoner, Senator Gary Stevens, and Chair Stedman voting nay.

SENATOR KOOKESH asked how many Senate committees would hear HB 475.

CHAIR STEDMAN replied he thought a couple were left.

SENATOR KOOKESH commented he hopes somebody would spend more time on the bill than this committee.

CHAIR STEDMAN responded a lot of time has been spent on this.

SENATOR KOOKESH said the Senate just got the bill.

CHAIR STEDMAN responded he understands.

SENATOR ELLIS commented he'd tell all the folks who write to him via e-mail that he tried.

SENATOR WAGONER motioned to report SCS CSHB 475(CRA) and attached fiscal notes from committee with individual recommendations.

SENATOR ELLIS objected.

CHAIR STEDMAN asked for a roll call.

The motion passed with Senators Gary Stevens, Senator Wagoner, and Chair Stedman voting yea and Senator Kookesh and Senator Ellis voting nay and so SCS CSHB 475(CRA) from committee.

There being no further business to come before the committee, Chair Stedman adjourned the meeting at [5:27:23 PM](#).