

ALASKA STATE LEGISLATURE
SENATE COMMUNITY AND REGIONAL AFFAIRS STANDING COMMITTEE

April 13, 2012

8:54 a.m.

MEMBERS PRESENT

Senator Donald Olson, Chair
Senator Thomas Wagoner
Senator Albert Kookesh
Senator Linda Menard
Senator Johnny Ellis

MEMBERS ABSENT

All members present

OTHER LEGISLATORS PRESENT

Representative Mike Chenault
Representative Mike Hawker
Senator Cathy Giessel

COMMITTEE CALENDAR

HOUSE BILL NO. 314

"An Act extending the time period for which the Alaska Railroad Corporation may lease land without reserving the right to terminate the lease; and providing for an effective date."

- MOVED HB 314 OUT OF COMMITTEE

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 9(FIN) AM

"An Act relating to the Alaska Gasline Development Corporation, a subsidiary created project developed by the Alaska Gasline Development Corporation; relating to the by the Alaska Housing Finance Corporation; establishing and relating to the in-state regulation by the Regulatory Commission of Alaska of an in-state natural gas pipeline natural gas pipeline fund; making certain information provided to or by the Alaska that is expressly authorized to provide transportation as a contract carrier; relating to Gasline Development Corporation exempt from inspection as a public record; relating the Alaska Natural Gas Development Authority; relating to the procurement of certain to the Joint In-State Gasline Development Team; relating to the judicial review of a services by the Alaska Natural Gas Development Authority; exempting property of a right-of-way

lease or an action or decision related to the development or construction of project developed by the Alaska Gasline Development Corporation from property taxes an oil or gas pipeline on state land; relating to the lease of a right-of-way by the Alaska before the commencement of commercial operations; and providing for an effective Gasline Development Corporation or a successor in interest for a gas pipeline date."

- HEARD AND HELD

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 264(CRA)

"An Act allowing a deferral of municipal property taxes on the increase in the value of real property attributable to subdivision of that property; and providing for an effective date."

- MOVED SCS CSHB 264(CRA) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HB 314

SHORT TITLE: ALASKA RAILROAD LAND LEASES

SPONSOR(S): LABOR & COMMERCE

| | | |
|----------|-----|---|
| 02/06/12 | (H) | READ THE FIRST TIME - REFERRALS |
| 02/06/12 | (H) | L&C |
| 02/17/12 | (H) | L&C AT 3:15 PM BARNES 124 |
| 02/17/12 | (H) | Moved Out of Committee |
| 02/17/12 | (H) | MINUTE(L&C) |
| 02/20/12 | (H) | L&C RPT 5DP |
| 02/20/12 | (H) | DP: CHENAULT, THOMPSON, HOLMES, MILLER, OLSON |
| 03/14/12 | (H) | TRANSMITTED TO (S) |
| 03/14/12 | (H) | VERSION: HB 314 |
| 03/16/12 | (S) | READ THE FIRST TIME - REFERRALS |
| 03/16/12 | (S) | CRA |
| 04/05/12 | (S) | CRA AT 3:30 PM BELTZ 105 (TSBldg) |
| 04/05/12 | (S) | Heard & Held |
| 04/05/12 | (S) | MINUTE(CRA) |
| 04/13/12 | (S) | CRA AT 8:00 AM FAHRENKAMP 203 |

BILL: HB 9

SHORT TITLE: IN-STATE GASLINE DEVELOPMENT CORP

SPONSOR(S): CHENAULT

| | | |
|----------|-----|---------------------------------|
| 01/18/11 | (H) | PREFILE RELEASED 1/7/11 |
| 01/18/11 | (H) | READ THE FIRST TIME - REFERRALS |

01/18/11 (H) RES, FIN
02/06/12 (H) RES AT 1:00 PM BARNES 124
02/06/12 (H) Heard & Held
02/06/12 (H) MINUTE(RES)
02/08/12 (H) RES AT 1:00 PM BARNES 124
02/08/12 (H) Heard & Held
02/08/12 (H) MINUTE(RES)
02/10/12 (H) RES AT 1:00 PM BARNES 124
02/10/12 (H) Heard & Held
02/10/12 (H) MINUTE(RES)
02/13/12 (H) RES AT 1:00 PM BARNES 124
02/13/12 (H) <Bill Hearing Canceled>
02/24/12 (H) RES AT 1:00 PM BARNES 124
02/24/12 (H) Heard & Held
02/24/12 (H) MINUTE(RES)
02/27/12 (H) RES AT 1:00 PM BARNES 124
02/27/12 (H) Moved CSHB 9(RES) Out of Committee
02/27/12 (H) MINUTE(RES)
02/29/12 (H) RES RPT CS(RES) NT 4DP 2DNP 1NR 2AM
02/29/12 (H) DP: MUNOZ, FOSTER, HERRON, SEATON
02/29/12 (H) DNP: KAWASAKI, GARDNER
02/29/12 (H) NR: FEIGE
02/29/12 (H) AM: DICK, P.WILSON
02/29/12 (H) LETTER OF INTENT WITH RES REPORT
03/13/12 (H) FIN AT 8:30 AM HOUSE FINANCE 519
03/13/12 (H) Heard & Held
03/13/12 (H) MINUTE(FIN)
03/16/12 (H) FIN AT 9:00 AM HOUSE FINANCE 519
03/16/12 (H) Heard & Held
03/16/12 (H) MINUTE(FIN)
03/20/12 (H) FIN AT 9:00 AM HOUSE FINANCE 519
03/20/12 (H) Heard & Held
03/20/12 (H) MINUTE(FIN)
03/21/12 (H) FIN AT 1:30 PM HOUSE FINANCE 519
03/21/12 (H) <Bill Held Over to 6:30 pm Today>
03/21/12 (H) FIN AT 6:30 PM HOUSE FINANCE 519
03/21/12 (H) Heard & Held
03/21/12 (H) MINUTE(FIN)
03/22/12 (H) FIN AT 1:30 PM HOUSE FINANCE 519
03/22/12 (H) <Bill Held Over to 5:00 pm Today>
03/22/12 (H) FIN AT 5:00 PM HOUSE FINANCE 519
03/22/12 (H) Heard & Held
03/22/12 (H) MINUTE(FIN)
03/23/12 (H) FIN RPT CS(FIN) NT 6DP 1DNP 3NR 1AM
03/23/12 (H) DP: FAIRCLOUGH, T.WILSON, NEUMAN,
COSTELLO, EDGMON, THOMAS
03/23/12 (H) DNP: GARA

03/23/12 (H) NR: DOOGAN, JOULE, STOLTZE
 03/23/12 (H) AM: GUTTENBERG
 03/23/12 (H) RESOURCES LETTER OF INTENT WITH FIN
 REPORT
 03/23/12 (H) FIN AT 9:00 AM HOUSE FINANCE 519
 03/23/12 (H) Moved CSHB 9(FIN) Out of Committee
 03/23/12 (H) MINUTE(FIN)
 03/27/12 (H) TRANSMITTED TO (S)
 03/27/12 (H) VERSION: CSHB 9(FIN) AM
 03/28/12 (S) READ THE FIRST TIME - REFERRALS
 03/28/12 (S) CRA, RES, FIN
 04/03/12 (S) CRA AT 3:30 PM BELTZ 105 (TSBldg)
 04/03/12 (S) <Above Item Removed from Agenda>
 04/03/12 (S) MINUTE(CRA)
 04/05/12 (S) CRA AT 3:30 PM BELTZ 105 (TSBldg)
 04/05/12 (S) Heard & Held
 04/05/12 (S) MINUTE(CRA)
 04/13/12 (S) CRA AT 8:00 AM FAHRENKAMP 203

BILL: HB 264

SHORT TITLE: MUNI PROPERTY TAX DEFERRAL: SUBDIVISIONS

SPONSOR(S): MUNOZ

01/17/12 (H) PREFILE RELEASED 1/13/12
 01/17/12 (H) READ THE FIRST TIME - REFERRALS
 01/17/12 (H) CRA, FIN
 02/14/12 (H) CRA AT 8:00 AM BARNES 124
 02/14/12 (H) Heard & Held
 02/14/12 (H) MINUTE(CRA)
 02/16/12 (H) CRA AT 8:00 AM BARNES 124
 02/16/12 (H) Moved CSHB 264(CRA) Out of Committee
 02/16/12 (H) MINUTE(CRA)
 02/17/12 (H) CRA RPT CS(CRA) 5DP
 02/17/12 (H) DP: AUSTERMAN, CISSNA, GARDNER, FOSTER,
 MUNOZ
 02/22/12 (H) FIN AT 1:30 PM HOUSE FINANCE 519
 02/22/12 (H) Moved CSHB 264(CRA) Out of Committee
 02/22/12 (H) MINUTE(FIN)
 02/24/12 (H) FIN RPT CS(CRA) 5DP 3NR
 02/24/12 (H) DP: NEUMAN, GARA, EDGMON, STOLTZE,
 THOMAS
 02/24/12 (H) NR: FAIRCLOUGH, T.WILSON, DOOGAN
 03/26/12 (H) TRANSMITTED TO (S)
 03/26/12 (H) VERSION: CSHB 264(CRA)
 03/28/12 (S) READ THE FIRST TIME - REFERRALS
 03/28/12 (S) CRA
 04/03/12 (S) CRA AT 3:30 PM BELTZ 105 (TSBldg)

04/03/12 (S) Heard & Held
04/03/12 (S) MINUTE(CRA)
04/05/12 (S) CRA AT 3:30 PM BELTZ 105 (TSBldg)
04/05/12 (S) <Above Bill Removed from Agenda>
04/05/12 (S) MINUTE(CRA)
04/13/12 (S) CRA AT 8:00 AM FAHRENKAMP 203

WITNESS REGISTER

ANNA LATHAM, Staff
Representative Kurt Olson
Alaska State Legislature
Juneau, Alaska
POSITION STATEMENT: Introduced HB 314.

DAVID SCOTT, Staff
Senator Donny Olson
Alaska State Legislature
Juneau, Alaska
POSITION STATEMENT: Introduced SCS CSHB 9 and SCS CSHB 264.

REPRESENTATIVE MIKE CHENAULT
Alaska State Legislature
Juneau, Alaska
POSITION STATEMENT: Opposed the Senate committee substitute for HB 9.

REPRESENTATIVE MIKE HAWKER
Alaska State Legislature
Juneau, Alaska
POSITION STATEMENT: Opposed the Senate committee substitute for HB 9.

RANDY HOFFBECK, Chief of Staff for Mayor Brower
North Slope Borough
Barrow, Alaska
POSITION STATEMENT: Supported the committee substitute for HB 264.

JOHANNA BALES, Deputy Director
Tax Division
Department of Revenue
Anchorage, Alaska
POSITION STATEMENT: Opposed the committee substitute for HB 264.

CHRISTOPHER CLARK, Staff
Representative Cathy Munoz

Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Supported HB 264 and said more time was needed to vet the committee substitute.

ACTION NARRATIVE

[8:54:57 AM](#)

CHAIR DONALD OLSON called the Senate Community and Regional Affairs Standing Committee meeting to order at 8:54 a.m. Present at the call to order were Senators Menard, Ellis and Chair Olson.

HB 314-ALASKA RAILROAD LAND LEASES

[8:55:15 AM](#)

CHAIR OLSON announced the consideration of HB 314.

[8:55:27 AM](#)

ANNA LATHAM, Staff to Representative Kurt Olson, Alaska State Legislature, said HB 314 extended the Alaska Railroad Corporation (ARC) property lease terms from 55 years to 95 years. She said the ARC would benefit from longer leases that encourage high value building construction that retain their value for a longer period of time. She said the bill has received support from municipalities, businesses and developers throughout the Railbelt region.

[8:55:56 AM](#)

CHAIR OLSON asked if the 95 year leases would be voluntary or mandatory.

[8:56:17 AM](#)

MS. LATHAM answered that the lease terms were up to the discretion of the ARC Board of Directors.

[8:56:29 AM](#)

SENATOR ELLIS moved to report HB 314, 27-LS1281\A, out of committee with individual recommendations and attached fiscal note(s).

[8:56:39 AM](#)

CHAIR OLSON said there being no objections, HB 314 moved from the Senate Community and Regional Affairs Standing Committee.

HB 9-IN-STATE GASLINE DEVELOPMENT CORP

[8:57:41 AM](#)

CHAIR OLSON announced the consideration of HB 9.

[8:57:50 AM](#)

DAVID SCOTT, Staff for Senator Olson, Alaska State Legislature, noted that the new Senate committee substitute (CS) for CSHB 9 was version J.

[8:58:09 AM](#)

SENATOR ELLIS moved Senate CS for CSHB 9, 27-LS0075\J, be considered the item before the committee.

[8:58:17 AM](#)

CHAIR OLSON announced that without objection, version J was adopted as a working document.

[8:58:30 AM](#)

MR. SCOTT reviewed the Senate CS sectional and said the intent was to pare the bill down to the bare minimum that the Alaska Gasline Development Corporation (AGDC) required to get to open season and allow funds to be spent from last year's appropriation.

SECTION 1

- Adds a new section to AS 18.56, Alaska Housing Finance Corporation (AHFC), relating to AGDC's duties and abilities.
 - Empowered to construct, own, operate and manage pipelines throughout the state, while removing the specific reference to the project in the July 2011 report from AGDC.
 - Added legislation authorization prior to construction.
 - Authorization to acquire land and other interest in property.
 - Creates the in-state gas pipeline fund, which enables AGDC to use the \$200 million appropriated by the legislature in 2011.

- Shipping commitments resulting from an open season shall be reported to both presiding officers and published online within 10 days.
- Removed authorization to operate as a contract carrier.
- Removed authorization to issue bonds and incur debt.

SECTION 2

- Adds a new section to 36.30 to exempt Alaska Natural Gas Development Authority (ANGDA) from the state procurement code when contracting for professional services.

SECTION 3

- Amends 38.34.050(a) to provide ADGC access to information of state agencies that is directly related to designing, constructing and operation an in-state gasline and to protect existing confidentiality of information held by state agencies.

SECTION 4

- Amends 38.34.050(b), which in current statute directs state agencies to cooperate with and give priority to information requests from the Joint In-State Gasline Development Team. The section replaces the reference to (JIGDT) with a direct reference to AGDC, to reflect the reorganization of the agency.

SECTION 5

- Adds a new section to 38.34.050 to allow AGDC to disclose information unless the info discloses particular business or private information.
- Specifies that an agreement to sell or manage a pipeline is public information.

SECTION 6

- Definitions.

SECTION 7

- Amends 40.25.120(a) to exempt information covered by an AGDC confidentiality agreement from the state public records act.

SECTION 8

- Amends 41.41.010(a) to enable ANGDA to act as a gas marketer instead of a transporter. Removes authorization for ANGDA to design, construct, or operate pipelines.

SECTION 9

- Amends 41.41.010(d) to clarify ANGDA as a gas marketer both in-state and for export.

SECTION 10

- Repeals and reenacts 41.41.020 to state that AHFC's board is now the board of ANGDA.

SECTION 11

- Amends 41.41.060 to conform to section 10, relates to per diem and travel expenses.

SECTION 12

- Amends 41.41.070(d) to allow ANGDA to contract for legal counsel and exempts this from the state procurement code.

SECTION 13

- Amends 41.41.090(b) to remove involvement with a 'project' from the circumstances requiring disclosure. Conforms with section 8.

SECTION 14

- Amends 41.41.150(a) to expand ANGDA's existing confidential records authority to include info in a confidential agreement between AGDC and ANGDA.

SECTION 15

- Amends 41.41.200 to remove ANGDA's authority to exercise eminent domain. Conforms with section 8.

SECTION 16

- Amends 41.41.990(2) to confirm that AHFC's board is the board of ANGDA. Conforms with section 10.

SECTION 17

- Repeals to conform with restructuring the AGDC governance by removing the JIGDT, and removing statutes related to ANGDA board elections.

SECTION 18

- Repeals section 1 of the 2002 Ballot Measure 3, which are the findings that are no longer necessary with ANGDA's new and limited authority.

SECTION 19

- Immediate effective date.

[8:59:46 AM](#)

SENATOR KOOKESH arrived.

[9:02:50 AM](#)

At ease 9:02:50 a.m. to 9:02:58 a.m.

[9:02:58 AM](#)

REPRESENTATIVE MIKE CHENAULT, Alaska State Legislature, prime sponsor of HB 9, said the CS guts AGDC's ability to move forward on an in-state gas pipeline project. He said the CS takes away AGDC's ability to move forward with a pipeline and replaces it by requiring legislative sanctioning. He said the vision of HB 9 was to take politics out of a gasline moving forward and the CS puts politics right back in the middle of the project. He said the definition of insanity was doing the same thing and expecting a different result. He said AGDC's ability to work for the citizens of Alaska via moving the state's only pipeline project forward was neutered by the CS.

REPRESENTATIVE CHENAULT said a poll had indicated that Alaskans thought a lack of leadership, vision and courage were the reasons why the state did not have a pipeline. He said the CS

takes away AGDC's ability to get a meaningful open-season in the quickest amount of time.

CHAIR OLSON asked about the issue to require sanctioning of the legislature for project oversight to avoid significant cost overruns.

[9:06:41 AM](#)

REPRESENTATIVE MIKE HAWKER, Alaska State Legislature, sponsor of HB 9, responded that the inherent in the structure of the original bill was to establish AGDC as a mechanism for Alaska to have a strong position with all commercial and state participatory gasline proposals. He said the Alaska Constitution only allowed the legislature to appropriate funds and it was a given for a project that required state investment to come before the legislature. He said a strong inherent sanctioning concept was built into the original document and requiring the private sector to come back before the legislature for sanctioning was inappropriate.

[9:07:55 AM](#)

SENATOR WAGONER arrived.

[9:08:09 AM](#)

CHAIR OLSON asked for comments on the CS.

REPRESENTATIVE HAWKER responded that the introduction for the CS stated that the intent was to reduce the bill and leave the minimum needed to get an open-season. He said the CS had taken out critical elements that provided the state with a strong seat and was well below the minimums needed to get to an open-season. He said any attempt for an open-season would be considered a farce.

He said the original AGDC concept was that it merged the voter mandated ANGDA with AGDC. He said AGDC would be empowered to work the pipeline project to allow ANGDA to get the gas to market. He said the CS thwarts the will of Alaska voters by taking away any possibility of a project coming to fruition.

CHAIR OLSON asked to verify that the Senate CS was done in cooperation with Representative Hawker or Representative Chenault.

REPRESENTATIVE HAWKER answered that was incorrect.

REPRESENTATIVE CHENAULT answered that was incorrect. He said information was supplied to the Chairman's office and he did not sit down with anyone to craft the Senate CS.

CHAIR OLSON said HB 9 would be held.

[9:11:04 AM](#)

At ease 9:11 a.m. to 9:12 a.m.

[9:12:37 AM](#)

CHAIR OLSON recessed the meeting to the call of the Chair.

HB 264-MUNI PROPERTY TAX DEFERRAL: SUBDIVISIONS

[12:36:57 PM](#)

CHAIR OLSON reconvened the Senate Community and Regional Affairs Committee meeting and announced the consideration of HB 264.

[12:37:29 PM](#)

SENATOR KOOKESH moved to adopt Senate CS for CSHB 264, 27-LS1090\E.

[12:37:58 PM](#)

CHAIR OLSON said without objection, version E was before the committee.

[12:38:05 PM](#)

DAVID SCOTT, Staff for Senator Olson, Alaska State Legislature, said the committee substitute (CS) added two sections to the bill, Section 2 and Section 3. He said the CS removed the statutory municipal operating tax cap.

[12:38:23 PM](#)

RANDY HOFFBECK, Chief of Staff for Mayor Brower, North Slope Borough, said the CS removed the statutory operating property tax cap by amending AS 29.45 and AS 43.56. He said the current tax cap did not allow a jurisdiction to have a total assessed value for all properties to exceed 225 percent of the statewide per capita assessed value. He said the cap sets the maximum assessed value allowed for the purposes of funding operations and provided a "no cap" provision for the repayment of general obligation debt. He said the cap did not affect the amount of property tax that could be collected.

He said the cap was put into place in the 1970's due to a concern that boroughs within the Oil Pipeline Corridor (OPC) would have an inordinate amount of property tax money to spend on operations. He said the state had grown dramatically over the

past 40 years and OPC boroughs were operating with mature fiscal policies. He said cap removal would allow for greater fiscal flexibility for the North Slope Borough (NSB) and Valdez. He noted that the cap had affected Unalaska, Bristol Bay and Skagway due to a high proportion of property tax value within a relatively small population jurisdiction. He said the cap would impact Unalaska once again due to future offshore oil and gas exploration.

[12:43:22 PM](#)

He said NSB currently collected 9 to 9.5 mills for operations and 9 to 9.5 mills for bonded debt. He said using cash flow would be more efficient than cycling through the bond market for tax collection purposes. He noted that \$140 million would be paid towards interest on the current \$480 million in outstanding general obligation debt. He said paying for interest was money wasted and eliminating the cap would allow for more funds to go towards community projects. He said the borough faced up to \$600 million in capital maintenance projects over the next five years and being allowed to use operating funds would be preferred.

He said the only entities that would be affected by the removal of the cap would be New York bankers and investors. He said it was a zero sum game for everybody else and state tax revenue would not change. He said the state would continue to receive its 20 mill property tax obligation from the oil and gas industry. He noted that the oil and gas industry gets to use any local tax as a credit against what is paid to the state. He said with the North Slope Borough's 18.5 mill rate, the state would continue to receive 1.5 mills after the industry takes its credit.

He said the bill would provide more flexibility to use the money more efficiently and actually provide long term stability. He said the borough's tax base was dictated by the population and not by assets within the borough. He said oil field worker fluctuations made it very difficult for long term fiscal planning. He said the intent was not to ask for an advantage over other jurisdictions, but to be allowed to operate on par with jurisdictions that do not have to deal with cap provisions.

[12:47:52 PM](#)

SENATOR WAGONER asked if the industry would feel comfortable with the bill.

MR. HOFFBECK answered that the industry's 20 mill cap does not change and the Department of Revenue (DOR) would continue as the assessing authority.

CHAIR OLSON asked if there were additional comments.

MR. HOFFBECK responded that the Alaska Municipal League (AML) solicited other communities for comments on the bill's potential impact. He said no communities had identified any adverse effects. He noted that the municipality of Juneau indicated that cap removal would be good fiscal policy.

CHAIR OLSON asked if removing the cap was good fiscal policy.

MR. HOFFBECK answered yes. He said Unalaska recognized that they were likely facing a cap issue and thought it was a good idea. He said there was no additional revenue flowing to any jurisdiction and no liability to the industry. He said only the New York bankers would lose in the process.

[12:50:48 PM](#)

JOHANNA BALES, Deputy Director, Tax Division, Department of Revenue, said DOR opposed the CS for SB 264. She said DOR did not have adequate time to vet the CS and would like to have discussions with municipalities. She said DOR would like to look at reasons behind the original legislative intent to put a cap into place. She said DOR disagreed with Mr. Hoffbeck's statement that state tax revenue would not be affected and said the state could lose \$115 million if municipalities increased their rates to 20 mills.

[12:53:18 PM](#)

MR. HOFFBECK responded that the cap only affects a community that had a certain relationship between its population and the tax base. He noted that communities could raise rates above 20 mills regardless of the current cap. He said NSB had rarely exceeded 18.5 mills over the past 40 years and the rate was important for the borough's long term fiscal stability.

[12:55:16 PM](#)

He said 18.5 mills was critical to the bond rating agencies due to the extra 1.5 mills being available to raise additional funds if assessed values did not meet forecasts. He said the state's majority of oil and gas properties were in unincorporated areas without local jurisdictions. He said if the NSB went to 20 mills, about \$20 million would be moved and not \$115 million. He said NSB always considered 20 mills as a hard cap for

forecasting purposes. He said going to 30 mills would take money away from other portions of the state and would set the borough up for tax limitation legislation.

He said the bill would allow NSB to relieve itself of its debt burden and reduce pressure on assessed values. He said reducing payments on interest rates would allow for flexibility to decrease mill rates.

[12:57:55 PM](#)

SENATOR WAGONER asked why DOR did not present a fiscal note.

MS. BALES answered that DOR was working on a fiscal note due to the limited time from the CS announcement.

SENATOR WAGONER commented that he would like DOR to proceed with their follow up work.

[12:59:17 PM](#)

CHRISTOPHER CLARK, Staff for Representative Cathy Munoz, Alaska State Legislature, said the sponsor supported the bill from page 1 up to line 12 on page 2 and shared the same concerns with DOR on the rest of the language.

CHAIR OLSON asked for clarification that the sponsor was not against the bill, just that more time was required to audit it.

MR. CLARK answered correct.

[12:59:44 PM](#)

SENATOR WAGONER asked if rules and finance were the next committees of referral. He noted that a fiscal note would be required.

SENATOR ELLIS answered correct.

[1:00:16 PM](#)

SENATOR KOOKESH moved to report SCS CSHB 264(), 27-LS1090\E, from the committee with individual recommendations and attached fiscal note(s).

[1:00:31 PM](#)

CHAIR OLSON said without objection, SCS CSHB 264(CRA) passed out of the Community and Regional Affairs Standing Committee.

[1:00:39 PM](#)

CHAIR OLSON announced that the meeting was recessed to the call of the Chair.