

HOUSE FINANCE COMMITTEE
March 28, 2014
8:36 a.m.

8:36:50 AM

CALL TO ORDER

Co-Chair Stoltze called the House Finance Committee meeting to order at 8:36 a.m.

MEMBERS PRESENT

Representative Alan Austerman, Co-Chair
Representative Bill Stoltze, Co-Chair
Representative Mark Neuman, Vice-Chair
Representative Mia Costello
Representative Les Gara
Representative David Guttenberg
Representative Lindsey Holmes
Representative Cathy Munoz
Representative Steve Thompson
Representative Tammie Wilson

MEMBERS ABSENT

Representative Bryce Edgmon

ALSO PRESENT

Daniel George, Staff, Representative Bill Stoltze; Michael Paschall, Staff, Representative Eric Feige.

PRESENT VIA TELECONFERENCE

William Streur, Commissioner, Department of Health and Social Services; Margaret Brodie, Director of Health Care Services, Department of Health and Social Services; Ben Mulligan, Department of Fish and Game, Juneau; Lela Klingert, CEO, CFAB.

SUMMARY

HB 121 COMMERCIAL FISHING & AGRICULTURE BANK

CSHB 121 (FIN) was HEARD and HELD in committee for further consideration.

HB 134 MEDICAID PAYMENT FOR MEDISET PRESCRIPTION

CSHB 134 (HSS) was REPORTED out of committee with a "do pass" recommendation and with one previously published zero fiscal note: FN1 (DHS).

#hb134

HOUSE BILL NO. 134

"An Act requiring Medicaid payment for scheduled unit dose prescription drug packaging and dispensing services for specified recipients."

8:37:21 AM

Co-Chair Stoltze discussed housekeeping.

Representative Costello pointed out to the committee a letter from Jason Hooley, Special Assistant, Department of Health and Social Services that addressed the fiscal note (copy on file).

8:38:16 AM

WILLIAM STREUR, COMMISSIONER, DEPARTMENT OF HEALTH AND SOCIAL SERVICES (via teleconference), summarized the letter. He relayed that the requirement for the department to pay for the delivery of the medisets on a weekly basis had been eliminated. He shared that the delivery costs had been a challenge for the department because they were formidable; if the providers of medisets decided to expand out into urban areas like Fairbanks or Juneau the costs would be very large. By removing the requirement and allowing for bi-weekly distribution the department was able to take the cost of the service down to zero. He said that the bill put in statute the requirement to continue to pay for medisets. He spoke to the proven efficiency and efficacy of medisets. He said that the program helped patients maintain integrity by ensuring proper dosage of medications.

8:41:28 AM

Co-Chair Austerman asked whether any expansion in dollar value that the state could pay was included in the current Medicaid budget.

Commissioner Streur replied yes. He noted that the growth factor was built in and assumed in the fiscal note. He believed that the growth could be sustained by the department.

[8:42:53 AM](#)

Co-Chair Austerman asked if the regulations that controlled mediset confined the places where it could be distributed. He wondered if mediset was confined to Anchorage by regulation or because of the operational cost of doing business.

Commissioner Streur replied that there would need to be enough of a market for the pharmacy to produce mediset because it required an additional cost to the business. He noted that some smaller pharmacies did provide the service for a small fee or none at all. He believed that it was a question on volume and the cost of setting up the capabilities to do mass medisets.

[8:44:42 AM](#)

Co-Chair Austerman understood that the state and Medicaid split the cost of the medisets 50/50.

Commissioner Streur replied that certain prescriptions were covered at a higher percentage. The fiscal note accounted for the departments acknowledgement that the bill.

[8:45:39 AM](#)

Representative Wilson asked if the bill would cover all seniors with two or more prescriptions.

Commissioner Streur replied that it would cover anyone who was eligible. The person had to have a requirement for a mediset and had to be thoroughly vetted.

Representative Wilson understood that people who were not on Medicaid would have to pay for the program themselves.

Commissioner Streur agreed.

8:46:53 AM

Vice-Chair Neuman asked how much the program was currently costing the state.

Commissioner Streur deferred to the Director of Healthcare Services.

MARGARET BRODIE, DIRECTOR, HEALTH CARE SERVICES, DEPARTMENT OF HEALTH AND SOCIAL SERVICES (via teleconference), replied that the state currently paid \$375 thousand annually for mediset packaging.

Vice-Chair Neuman asked if the fee was a fee that was typically covered in nationwide dispensing fees.

Commissioner Streur replied no.

Vice-Chair Neuman surmised that the program would be unique to Alaska. Commissioner Streur replied other states were beginning to address the issue. Vice-Chair Neuman asked if the department had the ability to manage the cost fees and structures of the program. Commissioner Streur yes. Vice-Chair Neuman concluded that if it were to be written in statute the state would have the same ability. Commissioner Streur said that the current bill version reinstated management to the department. Vice-Chair Neuman queried the current dispensing fee per month.

Ms. Brodie replied that the current dispensing fee per person, per month was \$12.12.

Vice-Chair Neuman asked what the mediset fee was per prescription.

Commissioner Streur replied \$5 per person, per month.

Vice-Chair Neuman expressed concern regarding expanding healthcare costs.

Commissioner Streur countered that if the program would save the state the additional costs caused by someone improperly using medications.

Vice-Chair Neuman understood that by putting it into statute, instead of regulation, the legislature would not be able to reduce the cost of the program.

Commissioner Streur replied that the legislature could potentially make cuts in the department's budget. He believed that if the department was asked to make cuts, medisets would not be a priority. He highlighted that the way that the legislation was written did not change anything that the department was currently doing.

[8:52:33 AM](#)

Representative Munoz understood that mediset was paid only to certain pharmacies that reached a certain volume in dispensing; the bill would open up payment to all pharmacies.

Commissioner Streur replied that the bill did not speak to the issue. He noted that the regulations required that 75 percent of prescriptions must be mediset before they would qualify for the mediset fee. He relayed that the bill did not speak to a minimum number or percentage.

Representative Munoz asked if the \$5 fee remained for the new pharmacies that were dispensing, in addition to the \$12 fee.

Commissioner Streur reiterated that that was in regulation. The bill did not speak to the issue.

[8:54:23 AM](#)

Co-Chair Austerman understood that there could be restrictions on businesses based on the percentage of mediset business it generated. Commissioner Streur replied in the affirmative. Co-Chair Austerman asked whether the regulation was being proposed or if was already active. Commissioner Streur replied that it was under proposal. Co-Chair Austerman queried any concerns held by the department on the issue.

[8:55:25 AM](#)

Commissioner Streur stated that the department believed that medisets were an important part of health and safety for vulnerable adults and children; therefore, it was the departments believe that they should be accessible on a statewide basis to a wider variety of pharmacies. He admitted that the rate structure needed further examination before he could provide a conclusive answer. He said that

he would report back to the committee in order to clarify further.

Co-Chair Austerman felt that the regulation would be a way to control cost; only larger pharmacies in large communities would benefit.

Representative Guttenberg shared that there were two pharmacies in Fairbanks that provided medisets, but that medisets were not their primary business. He said that the 75 percent limit would prevent some pharmacies from expanding even marginally. He wondered if that had been the intent of the regulation.

[8:57:09 AM](#)

Commissioner Streur thought that he needed to study the intent of the regulation more deeply. He said that the regulation was not restricting any pharmacy from dispensing a mediset rather it would restrict a pharmacy from receiving a mediset fee. He thought if the efficacy and safety was apparent, it was incumbent of the state to look to expanding mediset to the extent that it could.

Representative Guttenberg relayed that under the description of a qualifying pharmacy, the last qualifier, number 5:

"Delivering prescriptions using the most cost effective method..."

Representative Guttenberg thought that pharmacies could be using the most cost effective method while not charging the least amount of money. He thought the language gave the department a lot of authority for regulation.

Commissioner Streur stated that the language spoke only with regard to the delivery of the medisets.

[8:59:22 AM](#)

Vice-Chair Neuman asked about the 75 percent rule. He understood that the rule benefited smaller communities because it would allow more pharmacies to participate in the program. He asked whether the 75 percent rule had been removed, and if so, why it was removed.

Commissioner Streur offered to provide the information at a later date. He added that the 75 percent rule was already in the proposed regulation, but was not yet in statute.

9:00:56 AM

Representative Costello understood that currently and pharmacy that wanted to provide the service could, the question was whether or not they would be reimbursed for the service. She believed that the regulation review process could be followed. She asserted that the bill was intended to be a cost savings measure. She appreciated the home setting as a less expensive solution to the rising cost of medical care. A registered nurse dispensing the medication was more costly to the state. She saw the bill as a compassionate method to allow more individuals to receive in-home care, surrounded by their family.

9:04:10 AM

Vice-Chair Neuman MOVED to REPORT CSHB 134 (FIN) out of committee with individual recommendations and the accompanying fiscal note. Co-Chair Stoltze OBJECTED for discussion.

Vice-Chair Neuman appreciated the effects of the mediset program even if having the medisets delivered did not ensure that the medications would be taken correctly. He expressed concern with the growing cost of healthcare in the state. He believed that in 10 years the state's Medicare costs would be \$3 billion or higher. He feared that the state would be unable to continue to pay for the program in the future and believed that the costs would need to be measured against other senior benefits when creating future budget. He warned that the cost of pharmaceuticals would be determined by the pharmaceutical companies and not the state, which meant the state would have trouble controlling the cost of the program.

9:08:05 AM

Representative Wilson pointed out Page 2, line 13, which laid out the 5 eligibility standards. She understood that a person living in their home would not be covered. She believed that the program was a good idea but thought that it should be open to all seniors and include all pharmacies.

9:09:55 AM

Representative Guttenberg thought that the medisets could inform paramedics on a scene as to which medications a patient had, or had not, taken. He believed that the small cost containment efforts could make a huge difference in the big picture.

9:11:48 AM

Representative Gara shared his introduction to the mediset program while visiting a senior center. He stressed that the fiscal note could not reflect the savings to the state from someone not having to be hospitalized because that could not be predicted. He believed that Commissioner Streur had worked harder than any other commissioner in the state at trying to find ways to save money. He had faith that the zero fiscal note would prove to be true.

9:14:09 AM

Representative Thompson thought that there should be further discussion on the 75 percent rule. He said that pharmacies in the smaller areas were providing the service for zero cost.

Representative Costello replied that the 75 percent requirement was in regulation and was currently under by the commissioner. She said that the bill would put into statute a program that was valuable to the citizens of Alaska in terms of cost savings and quality of life. The regulation being considered by the department was not a part of the legislation.

9:16:59 AM

Representative Thompson thought that the 75 percent rule would drive the business to one pharmacy. He reiterated discomfort with the regulation.

Co-Chair Stoltze appreciated the process that the bill had traveled through to its current iteration.

Co-Chair Stoltze WITHDREW his OBJECTION. There being NO OBJECTION, it was so ordered.

CSHB 134 (HSS) was REPORTED out of committee with a "do pass" recommendation and with one previously published zero fiscal note: FN 1 (DHS).

[9:21:09 AM](#)

AT EASE

[9:23:08 AM](#)

RECONVENED

#hb121

HOUSE BILL NO. 121

"An Act relating to the examinations, board, loans, records, and lobbying contracts of the Alaska Commercial Fishing and Agriculture Bank; and providing for an effective date."

[9:23:25 AM](#)

Vice-Chair Neuman MOVED to ADOPT the proposed committee substitute for HB 121, Work Draft 28-LS091\N, (Bannister, 3/26/14).

Co-Chair Stoltze OBJECTED for discussion.

DANIEL GEORGE, STAFF, REPRESENTATIVE BILL STOLTZE, explained the changes in the CS. In Section 1, page 3, lines 11, 18 and 21 a drafting error had been corrected; "or (15) - (18)" had been inserted in place of **(15) or (16)**. The language referred to powers of the bank. Section 2 had been added to the bill. In Section 2, page 5, lines 10 - 16 amended the lending powers of the bank:

The bank may not make a loan on a limited entry permit or other collateral to an individual, corporation, partnership, or limited liability company engages in commercial fishing, including a harvester, processor, supplier, or marketer, if the collateral is to be used in a mixed stock fishery with the potential to affect any discrete stock or species that has been declared a stock of concern by the Alaskan Board of Fisheries within the last two life cycles of the stock or species.

Mr. George continued. Section 9, page 7, line 29, reflected the removal of the lobbying prohibition repeal.

[9:25:49 AM](#)

Vice-Chair Neuman asked if a sport fishing guide was a commercial fisherman.

MICHAEL PASCHALL, STAFF, REPRESENTATIVE ERIC FEIGE, asked for clarification on the question

Vice-Chair Neuman asked if a person who was a guide for sport fishing, whose primary income was to take people out sport fishing, identified as a commercial fisherman.

Mr. Paschall assumed that since the guide was not fishing they would not be considered a commercial fisherman.

Vice-Chair Neuman asked if a sport fishing guide could qualify for any of the programs in the legislation.

Mr. Paschall deferred the question to Lela Klingert, CEO, CFAB.

[9:28:17 AM](#)

Representative Holmes understood that the rules of the bank were unique. She asked for further clarification on Section 2.

Co-Chair Stoltze spoke to the intent of the change. He said that the loans would be primarily out-of-state to non-resident business people and commercial fisherman. He thought that if the legislature was not going to prioritize Alaskan fisherman then out-of-state business entities should not be paid to enter the state to harvest, process or market fish.

[9:30:30 AM](#)

Representative Gara asked if the section was returning current law to prior law.

Co-Chair Stoltze said that there was an expansion for out-of-state loans in the bill and Section 2 would put a limit on where the out-of-state loans to be distributed.

[9:31:19 AM](#)

Representative Gara asked what the original amount of seed money from the state had been to start the bank.

Mr. Paschall believed it was \$32 million. He stated that the money was repaid to the state. Once the debt was repaid the state gave up stock ownership in the bank. He relayed that the corporation had always been private, but the state once had an ownership interest, which it no longer had.

[9:32:22 AM](#)

Representative Munoz spoke to the bank using permits as collateral. She asked if the addition of the section changed the ability to use permits as collateral. She asked if the bank was truly private.

Mr. Paschall reiterated that the bank had always been private. He said that question was whether the state had additional controls over the bank. He said that the bill would restrict collateral to any loan obtainer of using the collateral of a limited entry permit in three different fisheries.

Representative Munoz asked how the entity was exempt from banking regulations in the state.

Mr. Paschall replied that statute specifically indicated that the bank was not subject to the banking laws of privately held or cooperative banks.

Representative Munoz asserted that the bank was quasi-public and not a private bank.

Mr. Paschall thought that the question had been dealt with by the courts in the past; the bank was an agent of the state but was not an agency of the state.

[9:34:40 AM](#)

Co-Chair Austerman stated that he and Co-Chair Stoltze were in constant discussions concerning sport fish and commercial fish. He did not believe that the bill addressed the out-of-state issue, but spoke to the allocation issue. He shared that the legislature had decided that the allocation for fisheries across the state would be handled by the Department of Fish and Game through the board of fish. He explained that if a commercial fishery was intercepting any fish going to a discreet stock management area, the bill said that CFAB could not loan the fisherman

fishing in that fishery. He expressed concern for the Section having been added.

Co-Chair Stoltze rebutted that it was not an allocation issue. He said that the legislature was not making any decisions on allocation issues. He stated that he was not going to enable out-of-state agencies to use Alaska based money to move in on Alaskans opportunity for fish.

Representative Gara agreed with Co-Chair Stoltze about stocks of concern. He said that he did not see how the section would limit Alaskans.

Co-Chair Stoltze said that it had been the testimony both public and private that the most folks that would take advantage of the program were from out-of-state. He said that the intent of the bill was to bring in more out-of-state participants through Alaskan loans.

[9:39:38 AM](#)

Vice-Chair Neuman appreciated the effect of Section 2. He felt that it was prudent not to affect the impact to certain fisheries through expansion. He said that out-of-state companies could receive up to \$1 million in loans to fish Alaska's waters.

[9:41:22 AM](#)

Mr. Paschall replied that part of the intent of the bill was to lift some of the loan restriction amounts. He said that there were already provisions for certain out-of-state companies. He relayed that the bill listed different provisions for different types of loans.

Vice-Chair Neuman returned to Section 2. He asked if the section allowed up to \$1 million in loans to commercial fishermen, processors, suppliers or marketers.

[9:42:54 AM](#)

Mr. Paschall understood that Section 2 would prohibit the use of collateral for individuals applying for loans it would not change the amount. He said that numbers 4, 5, 6 and 7 on Page 2 changed the limits on those particular loans.

Co-Chair Stoltze asked for the sponsor's position on Section 2.

Mr. Paschall replied that the concern was that Section 2 put the bank in a precarious situation and would be difficult to enforce.

[9:44:51 AM](#)

Vice-Chair Neuman felt that the online application asked specific questions to applicants about their business practices; he imagined that it was well understood who was doing what, and where.

Mr. Paschall agreed. He suggested that if an individual were to qualify for a loan on a fishing vessel to fish outside of Juneau, and next year they decided to fish in Norton Sound (an area of stock concern), there would be nothing that the bank could do about it. The restrictions would only apply when initially qualifying for the loan.

[9:46:02 AM](#)

Representative Gara asked about Page 6, line 1 of the bill. He asked whether Section 5 was meant to govern out-of-state companies. He wondered if the percentage of total capital of the loan would be lifted from 8 to 25 percent solely for foreign owned businesses.

Mr. Paschall replied that Section 5 referred only to loans that were made to non-members of the bank. The amount of the loan was lifted \$25,000 to \$50,000, and was primarily intended for agriculture. He believed that there was a residency restriction.

Representative Gara asked where the \$50,000 figure derived from.

Mr. Paschall replied that it was the cumulative amount of the loans to non-members of the bank.

Co-Chair Stoltze noted that Section 2 was important to some committee members. He wondered whether people would still feel that they could support the bill if the section were removed.

Mr. Paschall though that the bank president could better speak to the impacts of the section. He said that there was concern with the broadness of the language in the section.

Co-Chair Stoltze said that non-commercial fishermen had reacted positively to the section.

[9:49:39 AM](#)

Co-Chair Austerman could not support the bill if Section 2 remained. He believed that the language gave the bank the burden of making the determination as to whether the area in question was an area of concern for fish stocks. He felt that Section 2 warped the original intent of the legislation. He suggested that if the legislature did not want the Board of Fisheries to allocate the fisheries then their authority should be revoked, and the issue brought back under the per view of the legislature.

Co-Chair Stoltze felt that the "broken political structure" had limited substantive conversations on the topic to commercial fishing only.

[9:52:04 AM](#)

Representative Gara felt that Section 2 stated that the stock in question had to be a stock of concern over the last two lifecycles. He related that he had fished all over the state. He opined that King Salmon were not returning to the streams in the Mat-Su Valley or the Yukon. He lamented that when he first moved to Alaska fishermen were catching the "biggest kings in the world."

Co-Chair Austerman interjected that it was not only commercial fishermen that were catching those kings.

Representative Gara agreed.

Co-Chair Stoltze argued that those large kings were caught in nets and were not recorded because they were not caught by sport fishermen.

Representative Gara believed that commercial, subsistence, and sport fishermen wanted to see a return of the disappearing stocks of fish. He though it was responsible to no lend out state money to anyone that wanted to harvest a fishery that had just barely come back from being a stock

of concern. He stated that the out-of-state aspect of the bill did not sit well with him.

[9:54:33 AM](#)

Vice-Chair Neuman appreciated the point of allowing two life cycles.

[9:55:25 AM](#)

Representative Wilson expressed concern with businesses that were located out of state.

Mr. Paschall replied that the different components of the bill offered different loan opportunities. He stated that the residency requirement was being excluded so that the individual would not have to physically reside in the state long enough to claim residency. Under the same facility, the business had to be located in the state and the majority interest in the processor, or harvester, had to be held by a resident of the United States. He said that the tie to the state was that outside money would be invested through borrowing in operations in the state.

Representative Wilson understood that the change would mean that a business could conduct business in another state as long as the principal portion of their business was in-state, and that they hired Alaskan.

Mr. Paschall replied that ownership, residency and percentage of in-state business would all be taken into consideration. He said that the additions to the bill adjusted the provisions to make the requirements for the loans less restrictive.

Representative Wilson said that making the loans less restrictive was the problem. She stressed that she did not want to give people a reason to move out of state. She understood that currently a person could only qualify if they resided in-state. She believed that businesses moving out-of-state would be an unintended consequence of the change.

[10:00:26 AM](#)

Representative Guttenberg spoke to the collateral aspect of Section 2. He wondered what would happen to the banks

evaluation of the loan if the collateral was unstable or in flux and was somehow devalued.

10:02:10 AM

Mr. Paschall understood that the question was whether the value of the collateral would be devalued during the loan application process if the person owned a limited entry permit that allowed them to fish with the permit in a stock of concern.

Representative Guttenberg though a better definition of stock of concern could offer clarity.

Mr. Paschall thought that the value of the collateral would be influenced as well as the ability to get a loan. He said that having a limited entry permit in that particular fishery would probably be worth less a collateral than a limited entry permit in a different fishery.

Co-Chair Stoltze said that commercial fishing had received a lot of protections that were not offered to other fishermen.

Representative Costello asked whether the Board of Fish was unable to manage fisheries on behalf of the state.

10:03:58 AM

Mr. Paschall deferred the question to the Board of Fisheries.

10:04:15 AM

Co-Chair Austerman did not have a problem with change in general and the desire to get things done that were not getting done through the normal process. He asserted that fishermen in his areas were affected because fish traveled all over the ocean in a life-cycle. He said if a Kodiak fisherman catches a fish in Kodiak while the fish is headed to the Mat-Su into a fishery of concern there was the potential that fisheries in his area could be closed down.

Co-Chair Stoltze said that the bill was about out-of-state loans.

Co-Chair Austerman disagreed. He contested that the bill did not speak to out-of-state loans. He asserted that if the sponsor wanted to deny loans to out-of-state commercial fishermen then that language should be written into the bill. He said that the bill was about fisheries management in the state. He wondered how the bank's loan portfolio would fare under the proposed legislation.

Co-Chair Stoltze interjected that the bank was also an agricultural loan bank.

Co-Chair Austerman stated that if the committee was going to "be biologists", and make a determination about what was going on with the fisheries in the state, then it should discuss the agriculture industry in the Mat-Su Valley that put salt into rivers that may be killing salmon in the stocks of concern. He argued that the bill should say that no loans could be given for agriculture projects if there was the potential of destroying a stock of concern.

[10:07:28 AM](#)

Co-Chair Stoltze asked if the department felt that the issue was allocated.

BEN MULLIGAN, DEPARTMENT OF FISH AND GAME, JUNEAU (via teleconference), felt that he should research the boards process

Mr. Mulligan replied that he would appreciate further information from board members.

Co-Chair Stoltze asked

Mr. Mulligan replied that the section discussed the issuance of loans. No knowing how many loans.

[10:08:58 AM](#)

LELA KLINGERT, CEO, CFAB (via teleconference),

Co-Chair Stoltze requested her opinion.

Ms. Klingert replied that the previous bill allowed the lending powers with regard to commercial fishing. Tourism and resource base industry. Support fishery. Enabling a

loan for sport fishers to house residents. Expand into non-resident commercial fishing.

Co-Chair Stoltze

Ms. Klingert did not read the section to discuss non-residents.

Co-Chair Stoltze discussion for commercial fishermen. Not the type of people.

[10:12:01 AM](#)

Representative Costello clarified that

Ms. Klingert yes. She stated that the impact of section 2 addressed restrictions on any loans for Alaska residents.

Co-Chair Stoltze serious conservation concern.

Ms. Klingert replied that loans made were assessed by the individuals ability to pay.

Co-Chair Stoltze discussed section 2 and the project in the bill.

[10:13:59 AM](#)

Ms. Klingert replied that the bill tied the banks' hands.

Co-Chair Stoltze

Ms. Klingert

[10:14:27 AM](#)

Representative Gara understood the goal of protecting rebounding fisheries. He understood that the loans were not denied to fishermen that would accidentally catch the fish. He wished to ensure that fish would rebound.

Representative Munoz asked about loans for non-residents for permits as collateral.

Ms. Klingert

Representative Munoz

Ms. Klingert

Representative Munoz asked Ms. Klingert if she considered the institution CFAB a quasi-public or a private bank.

Ms. Klingert replied that the institution was a private tax-paying entity functioning as an agent of the state and governed by a statute under the state law. She was unsure of the legal definition as she was not an attorney.

Representative Munoz noted that the institution could use permits as collateral whereas a private bank could not.

Ms. Klingert agreed that CFAB enjoyed the special privilege as an agent of the state.

[10:17:07 AM](#)

Ms. Klingert agent of the state. Not an attorney.

Representative Munoz use permits as collateral.

[10:18:07 AM](#)

Co-Chair Austerman asked about other banking institutions. He wondered about other banks loaning to fisherman.

Ms. Klingert replied yes.

Co-Chair Austerman add all of the banks.

Co-Chair Stoltze

[10:19:10 AM](#)

Vice-Chair Neuman asked about the limits on maximum loans.

Ms. Klingert

Vice-Chair Neuman loans for CFAB maximum amount of loans. How much for individual appropriations.

Ms. Klingert.

Vice-Chair Neuman banking institutions stated that CFAB undercut. Because the interest rates charged was less. He wondered about eh theme.

[10:21:20 AM](#)

Ms. Klingert stated that the Department of Commerce, Community and Economic Development.

Vice-Chair Neuman

Co-Chair Austerman

[10:22:15 AM](#)

Representative Costello asked about reinsert portions of the bill.

Co-Chair Stoltze voting

Representative Holmes agreed with portions of the CS. She agreed with the intent of section 2.

Co-Chair Stoltze

Representative Holmes would like to vote to work on the section.

Representative Munoz agreed that minor changes adding non-resident to the language would better capture the intent.

Representative Wilson

Co-Chair Stoltze

[10:24:22 AM](#)

Representative Gara did not wish for interpretation. He commented on section 2 and instate folks to target fisheries of concern.

[10:25:08 AM](#)

Representative Costello asked does the board of fish have the tools necessary to. She wanted to know from the banking industry, would the bank loan to the individuals.

Co-Chair Stoltze 6 votes to get out of committee. He was committed to work with the members.

Co-Chair Austerman maintained his objection to the adoption of the CS.

A roll call vote was taken on the motion.

IN FAVOR: Holmes, Munoz, Neuman, Thompson, Gara,
Guttenberg, Stoltze

OPPOSED: Wilson, Costello, Austerman

The MOTION PASSED (7/3). There being NO further OBJECTION, CSHB 121 (FIN) was ADOPTED.

[10:29:14 AM](#)

Representative Gara requested Black and Veatch. He wondered how the state ranked worldwide.

Co-Chair Austerman

CSHB 121 (FIN) was HEARD and HELD in committee for further consideration.

[10:30:04 AM](#)

RECESSED TO THE CALL OF THE CHAIR

#

ADJOURNMENT

[1:36:13 PM](#)

The meeting was adjourned at 1:36 p.m.