

HOUSE FINANCE COMMITTEE

April 9, 2014

8:35 a.m.

8:35:25 AM

CALL TO ORDER

Co-Chair Stoltze called the House Finance Committee meeting to order at 8:35 a.m.

MEMBERS PRESENT

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

MEMBERS ABSENT

None

ALSO PRESENT

Representative Benjamin Nageak, Sponsor; Jacob Adams, Chief Administrative Officer, North Slope Borough, Barrow; Angela Rodell, Commissioner, Department of Revenue; Anna Latham, Staff, Representative Kurt Olson; Barbara Huff Tuckness, Director, Governmental and Legislative Affairs, Teamsters; Ward Hurlburt, Chief Medical Officer and Director, Division of Public Health, Department of Health and Social Services; Don Etheridge, Alaska AFL-CIO, Juneau; Representative Pete Higgins; Representative Andy Josephson.

PRESENT VIA TELECONFERENCE

John McClellan, Alaska Mental Health Trust Authority, Anchorage; Matt Fonder, Director, Tax Division, Department of Revenue, Anchorage; Lianne Carrothers, President, Alaska Physical Therapy Association, Anchorage; Juliana

Ament, Alaska Physical Therapy Association, Fairbanks; Karen Purdue, President and CEO, Alaska State Hospital and Nursing Home Association, Fairbanks; Rachel Petro, President and CEO, Alaska Chamber of Commerce, Anchorage; Kevin Anselm, Director, Division of Banking and Securities, Department of Commerce, Community and Economic Development, Anchorage; Allan Johnston, Regional Manager, Team Network, Inc., Anchorage.

SUMMARY

HB 214 MENTAL HEALTH PATIENT RIGHTS & GRIEVANCES

HB 214 was SCHEDULED but not HEARD.

HB 308 ALASKA SECURITIES ACT EXEMPTIONS

HB 308 was REPORTED out of committee with a "do pass" recommendation and with one previously published fiscal impact note: FN1 (CED).

HB 316 WORKERS' COMPENSATION MEDICAL FEES

HB 316 was HEARD and HELD in committee for further consideration.

HB 379 OIL & GAS PROPERTY TAX

CSHB 379(FIN) was REPORTED out of committee with a "do pass" recommendation and with one new indeterminate fiscal note from the Department of Revenue.

CONFIRMATION HEARING: ALASKA MENTAL HEALTH TRUST AUTHORITY
- JOHN MCCLELLAN

[8:36:33 AM](#)

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- JOHN MCCLELLAN

JOHN MCCLELLAN, ALASKA MENTAL HEALTH TRUST AUTHORITY, ANCHORAGE (via teleconference), discussed his professional background. He had started three engineering companies in Alaska. Additionally, he had run several companies for NANA and other. He did not have experience with mental health; however, he did have experience in finance. He was

interested in resource development growth and the finance portion of the trust.

Co-Chair Stoltze surmised that Mr. McClellan's role was in making money for the trustees instead of spending it. Mr. McClellan replied in the affirmative.

Representative Gara asked if the board of trustees did any mental health work. Mr. McClellan replied that the trustees reviewed and approved the mental health programs based on staff recommendations.

[8:40:41 AM](#)

Representative Gara wondered if Mr. McClellan had experience related to alcohol abuse treatment and other areas that the trust addressed. Mr. McClellan replied that he did not have professional experience. He believed it would be easier for him to earn a quick education on mental health programs than it would be for a mental health professional to gain 40 years' experience in finance.

Representative Gara asked if the board had the power to review and reject projects presented by the staff. Mr. McClellan replied that the board had the authority to reject staff recommendations.

Representative Holmes thanked Mr. McClellan for putting his name in. She wondered if he had thoughts of a direction of the trust. Mr. McClellan answered that he was semi-retired and that acting as a board member would keep him fresh in the field. He would like to see an outreach program, and other new and innovative programs within the trust.

Co-Chair Stoltze thanked Mr. McClellan for his service. He spoke about his experience on boards. He was happy to have members with finance experience on the board. He appreciated members who were interested in sustaining the trust for beneficiaries.

Co-Chair Stoltze asked if there were any objections toward the advancement of Mr. McClellan's name. He noted he wanted to remove language in the report related to the reflection of the intent of the members. He stressed that it was known that individual votes were personal, so the language was unnecessary. There being NO OBJECTION, it was so ordered.

8:47:08 AM

AT EASE

8:48:50 AM

RECONVENED

#hb379

HOUSE BILL NO. 379

"An Act relating to the limitation on the value of property taxable by a municipality; and providing for an effective date."

8:49:02 AM

Co-Chair Stoltze stated that an amendment from Department of Administration (DOA) had been incorporated into the new committee substitute.

Vice-Chair Neuman MOVED to ADOPT the proposed committee substitute for HB 379, Work Draft 28-LS1633\U (Bullard/Bullock, 4/8/14).

Co-Chair Stoltze OBJECTED for discussion.

REPRESENTATIVE BENJAMIN NAGEAK, SPONSOR, approved the changes in the committee substitute.

JACOB ADAMS, CHIEF ADMINISTRATIVE OFFICER, NORTH SLOPE BOROUGH, BARROW, agreed with changes in the committee substitute.

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

Representative Costello discussed the fiscal note - indeterminate from Department of Revenue.

MATT FONDER, DIRECTOR, TAX DIVISION, DEPARTMENT OF REVENUE, ANCHORAGE (via teleconference), relayed that the change made to the bill would not impact revenues. The change would only help the department administer changes made in the bill.

ANGELA RODELL, COMMISSIONER, DEPARTMENT OF REVENUE, appreciated the addition of the clarifying language added in the amendment.

Co-Chair Stoltze asked if there were any amendments.

Vice-Chair Neuman MOVED to REPORT CSHB 379(FIN) out of committee with individual recommendations and the accompanying fiscal note. There being NO OBJECTION, it was so ordered.

CSHB 379(FIN) was REPORTED out of committee with a "do pass" recommendation and with one new indeterminate fiscal note from the Department of Revenue.

[8:53:29 AM](#)

AT EASE

[8:54:48 AM](#)

RECONVENED

#hb316

HOUSE BILL NO. 316

"An Act relating to workers' compensation fees for medical treatment and services; relating to workers' compensation regulations; and providing for an effective date."

[8:54:54 AM](#)

ANNA LATHAM, STAFF, REPRESENTATIVE KURT OLSON, discussed the bill and the Sectional Analysis (copy on file):

Section 1. Amends the physician, outpatient and ambulatory surgical center, and inpatient hospital fee schedules to be based on the federal Centers for Medicare and Medicaid Services fees.

Section 2. Requires the Workers' Compensation Advisory Board to annually review and adjust fees set under Section 1. Requires the board to request and consider recommendations from the Medical Services Review Committee on setting the conversion factors and rates specified in Section 1. Provides for maximum reimbursement for fees rendered in another state. Requires the board to set the rate for air ambulance service. Requires the board to set the markup, and reimbursement limits for durable medical equipment. Requires the board to set the markup, dispensing fee,

and reimbursement limits for prescription drugs. Requires a prescription drug dispensed by a physician to include in an invoice the original manufacturer's code from the National Drug Code Directory published by the USFDA. Exempts critical access hospitals from the fee schedules established in Section 1. Allows the board to apply a geographic adjustment factor to fee schedules in Section 1.

Section 3. Lists reference materials the department may incorporate, including future amended versions, into regulations.

Section 4. Section 1 and Section 3(j)-(0) are effective on July 1, 2015.

Section 5. Excluding Sections 6 and 7 of the Act, this Act is effective on July 1, 2014.

[8:58:42 AM](#)

Ms. Latham relayed that the method was established in the late 1980s, by a team of researchers from Harvard University which included statisticians, physicians, and economists. The relative value unit accounted for the physician's work, practice expenses, and malpractice insurance to provide medical service. The value was multiplied by a fixed conversion factor set by the state to determine the amount of payment, and the relative value unit was adjusted by the geographic region to reflect the variation and provide the costs. The methodology was the basis for Medicare and Medicaid payments schedules, and 32 states' workers compensation systems. The American Medical Association owned and updated the system periodically. She stated that the legislation outlined three separate conversion factors: one for a physician fee schedule; one for an outpatient and ambulatory fee schedules; and one for an inpatient fee schedule. The Workers Compensation Board would be responsible for renewing and adjusting fees on the fee schedules under advisement of the Medical Services Review Committee. The reason that committee is the advisor was because they have the medical expertise that the 18-person Workers Compensation Board had. She stated that there was an exemption in the legislation for critical access hospitals, which were small hospitals in the state that generally had less than 25 beds, an average stay of

less than 96 hours, and they were federally designated so they had a different billing system.

Co-Chair Stoltze asked if it was a rural exemption. Ms. Latham replied in the affirmative.

Ms. Latham stated that examples of the critical access hospitals included Kodiak, Valdez, Ketchikan, and Cordova. The legislation would be effective on July 1, 2014, and the new fee schedules would be effective one year later.

Co-Chair Stoltze stated that the medical community needed to determine whether the legislation was related to cost control or market control. He stated that market controls mostly led to shortages of access and providers.

Vice-Chair Neuman noted that Alaska had one of the highest instances of workers compensation, because of the mining and fishing and dangerous industries. He looked at Section 2, and queried the average anticipated cost changes in the different fee schedules.

Ms. Latham replied with the document, "Top 25 Surgery Procedure Codes Ranked by Paid Amounts for Alaska" (copy on file). She stated that the intent of the legislation was to align the fee schedules with the group health. There was a desire for reasonable and fair rates that were charged by the doctors. She remarked that the chart showed what the Alaska Workers Compensation fee schedule currently paid compared to Washington, Oregon, and Idaho. She stressed that she did not have data on exactly how much of a decrease would occur if the legislation were passed.

Vice-Chair Neuman announced that he was familiar with the cost comparisons between Alaska and other states. He stressed that it was difficult to analyze a bill, without the outlined estimates.

[9:04:49 AM](#)

Representative Holmes agreed that the current rates were not working. She wanted to ensure that the physicians were adequately and people could get proper care. She asked for more details regarding the legislation. Ms. Latham replied that the baseline would be the centers for Medicare and Medicaid. She remarked that 32 states had adopted the

methodology. The Workers Comp Board would set the conversion factors for the three fee schedules.

LEEANNE CARROTHERS, PRESIDENT, ALASKA PHYSICAL THERAPY ASSOCIATION, ANCHORAGE (via teleconference), spoke to concerns related to the bill. The legislation had the potential to affect many health care providers, especially those who own small independent practices. She remarked that physical therapists were highly educated, licensed health care professionals who helped patients reduce pain and improve or restore mobility after injury without expensive surgery and often reducing the use of prescription medications. In the case of workers comp, this translates into an earlier return to work. Furthermore, an 18-month study of 32,000 patients with low back pain revealed that physical therapy started within 14 days of the initial patient physician encounter was associated with reduced risk of subsequent surgery, injections, physician visits, opioid use, along with a corresponding reduction in overall low back pain related medical costs relative to delayed treatment by a physical therapist. Total health care costs for patients receiving early care from a physical therapist were an average of \$2736 lower. Because of the vital role of the physical therapist in the early management and recovery of individuals with work related injuries, she believed that physical therapy should be included in the process of determining the conversion factors and rates that would be used to determine the payment for physical therapy uses.

Co-Chair Stoltze handed the gavel to Representative Costello.

[9:10:11 AM](#)

JULIANA AMENT, ALASKA PHYSICAL THERAPY ASSOCIATION, FAIRBANKS (via teleconference), spoke against the bill in its current form. She spoke to the high costs of recruitment and retention of medical providers. Cutting pay to providers to may not be the answer. The proposed system proposed was used by Medicare and paid for 65 percent of an office visit. She spoke to an exodus of providers who would simply treat patients with private insurance.

KAREN PURDUE, PRESIDENT AND CEO, ALASKA STATE HOSPITAL AND NURSING HOME ASSOCIATION, FAIRBANKS (via teleconference), agreed that reform was needed; however, there was one area

of the bill the association was concerned about related to the conversion factor. He stressed that Alaska's hospitals and nursing homes had a double-interest in the issue, because they not only provided care, but were also large employers. She stressed that health care also had workers compensation costs. She felt that the idea of setting the conversion factor to commercial rates was the intention of the sponsor, but remarked that the Medical Services Review Committee did not have a standard in statute to set against the conversion factor. She stated that the low Medicaid payment in Alaska provided discomfort for providers, in terms of what the committee would decide upon.

Representative Gara looked at page 2 of the legislation, a noted the language related to the schedule based on the Federal Centers for Medicare and Medicaid. He understood that Medicare did not pay family practice physicians at a reasonable rate, as well as other areas. He wondered if there was a fear that the rates from the federal level would be initiated. Ms. Purdue responded she had those concerns. She stated that the sponsor had relayed that the conversion factor was the beginning, but there would be a multiplier to the factor, however that multiplier was unknown. The process was such the Medical Services Review Committee would make the recommendation to the commissioner. She felt that the sponsor's intent should be codified to group health or commercial rates.

Representative Gara wondered if the multiplier was outlined in the bill. Ms. Purdue replied in the affirmative, but deferred to the sponsor for confirmation.

9:16:59 AM

BARBARA HUFF TUCKNESS, DIRECTOR, GOVERNMENTAL AND LEGISLATIVE AFFAIRS, TEAMSTERS, spoke in support of the legislation. She relayed that one year earlier the Teamsters had implemented a medical tourism plan for over \$30 million, one-third was related to prescription drugs and the remainder was associated with medical procedures. The group was very supportive of the sponsor's effort on the bill. She felt comfortable with the going through the medical review committee. She noted that the committee was made up of physicians and other. The recommendations would be presented to the workers' compensation board and with oversight by the commissioner. She understood the concern about the fees and the perception of how it would work with

the medical review committee. The group had worked hard with employers, but stressed that one of the group's highest costs was workers' compensation. She relayed that medical costs continued to rise.

[9:21:47 AM](#)

Representative Guttenberg asked if the group was concerned that the change would result in fewer doctors covering workers' compensation cases. Ms. Huff Tuckness responded that she was more concerned that the option that was given injured workers meant flying to the Lower 48 for treatment. She did not believe it was in the best interest for the state's long-term medical cost, and she looking at other alternatives if nothing was done. She did not want benefits to be reduced.

Representative Guttenberg wondered if a study had been done on the actual cost of delivering service.

Ms. Huff Tuckness deferred the question to the director of the Division of Workers' Compensation.

Representative Gara understood that costs of quality care in the state were high. He was concerned with the Medicare schedule, and pointed out that over 50 percent of the family practice centers in Anchorage would not accept Medicare because compensation was so low. He understood that there was a multiplier that was not in the bill; he was uncomfortable with that. Ms. Huff Tuckness understood that there was a multiplier that would average it out. She provided an example related to a hip injury. He did not see where the fee changed the Medicare and Medicaid rates.

[9:28:03 AM](#)

WARD HURLBURT, CHIEF MEDICAL OFFICER AND DIRECTOR, DIVISION OF PUBLIC HEALTH, DEPARTMENT OF HEALTH AND SOCIAL SERVICES, relayed that the bill was consistent with the recommendations from the health care commission. He stated that the high costs were a burden to the state. He noted that discussions with Jeff Davis with Premera stated that sending people outside was more economical. He remarked that change was threatening, and the 90th percentile requirement provided market control. As a steward of money from the employers, the industry mandates market control.

Representative Costello handed the gavel back to Co-Chair Stoltze.

[9:32:43 AM](#)

Co-Chair Stoltze wondered if Mr. Hurlburt felt that there was a sort of Certificate of Need (CON) for healthcare access. Dr. Hurlburt replied in the negative. He stated that the methodology was common. The Medicare rates were low, and established with a multiplier to pay. The state paid higher on Medicaid than Medicare. Medicaid paid less than worker's comp. The payer would have more of an impact on the actual payments.

Dr. Hurlburt continued to discuss evidence based decision making. Medical costs were lower than Alaska in Wisconsin. He stressed that recent science was dictating the therapy and treatment. Definition of success for the workman's compensation program. Medical price inflation increased by 46 percent in Alaska compared to the rates nationwide.

[9:36:13 AM](#)

Co-Chair Stoltze wondered if it was better for the health care funding to be in workers compensation or the public health arena. Dr. Hurlburt felt that legislators made mistakes when they become too prescriptive if a minutia and the details of the coverage. He felt that the Alaska legislator had done a proper job about recognizing the risks. He stated that the current prescription for the 90th percentile, which meant that if one controls 11 percent of the marketplace, one could set its own rates, was fairly unusual in Alaska. He remarked that the board was composed of health care providers.

Vice-Chair Neuman spoke to the cost of prescription drugs. He was concerned that DHSS received a rebate of approximately \$40 million annually from prescription drug rebates. He wondered if part of the high cost was because the state charged so much for pharmaceuticals. Dr. Hurlburt responded that the rebates were a tool utilized by the pharmaceutical industry to ensure that all of the drugs were sold. He stressed that the state needed to take rebates into consideration in looking at the bottom line costs. When the Health Care Commission examined the pricing Alaska, hospital and physician pricing was notably much higher than the comparable states. The pharmaceutical

pricing, overall, was not much higher than comparable states, particularly relating to workers compensation.

[9:41:42 AM](#)

Vice-Chair Neuman pointed to information provided by the Department of Labor and Workforce Development, and some supplemental information about procedural codes. He remarked that Alaska was \$2000 greater on a \$374 injection diagnostic for a therapeutic substance.

Representative Wilson noted that the bill addressed a larger picture. She wondered if the state did not take action similar to that proposed in the bill if it would drive everyone out of the state, and pointed out the different costs of doing business in the state. Dr. Hurlburt agreed that more business would leave the state, because of the higher costs. He stressed that health care access should stay in Alaska, but the high costs put the system in jeopardy.

[9:44:55 AM](#)

RACHEL PETRO, PRESIDENT AND CEO, ALASKA CHAMBER OF COMMERCE, ANCHORAGE (via teleconference), spoke to an updated letter from the Chamber dated April 8. The legislation was a priority of the chamber. She thanked the sponsor for the bill. She acknowledged that good changes had been made in the bill. The chamber supported businesses and providers being able to pay bills and make a profit. There were a couple of items that the chamber believed should be added including evidence-based treatment guidelines and utilization review. She believed the change would help provide a lasting change to the fee schedule. The chamber also wanted to ensure that the bill's intent was clear.

[9:49:20 AM](#)

Co-Chair Stoltze asked Ms. Petro to work on formalizing the changes suggested by the chamber.

Representative Gara spoke to the concept of evidence-based coverage. He wondered if the definition could be defined in a way that would allow a patient to do what was best. Ms. Petro replied that the chamber was supportive of a comprehensive change to the worker's compensation. She

believed that when a program was developed the goal was to get workers healthy in a timely way. She did not profess to be an expert in the area of care. She deferred questions Dr. Hurlburt.

[9:52:16 AM](#)

DON ETHERIDGE, ALASKA AFL-CIO, JUNEAU, pointed to a letter of support in members' packets from the organization. The group was active in safety training and was decreasing injuries. He stressed that safety came first. The group was concerned that the fee schedule included the correct numbers, but it had faith that the medical review board and could determine the right detail. The group continued to work with the sponsor on some of the issues.

REPRESENTATIVE PETE HIGGINS, spoke to the bill. He saw the issue from two sides. He owned a couple of mines and agreed that workers' compensation was high in the state. He relayed that fees in the dental field were higher in the state, but they were not three or four times higher. He spoke in support of the legislation. He stressed that the state had to bring down workers' compensation fees. He was in the healthcare field, believed the bill was going in the right direction. He spoke to Medicare fees, and remarked that fee schedules were negotiated.

Co-Chair Stoltze CLOSED public testimony.

HB 316 was HEARD and HELD in committee for further consideration.

[9:59:25 AM](#)

#hb308

HOUSE BILL NO. 308

"An Act relating to the exemptions under the Alaska Securities Act and to securities issued by Native corporations; and providing for an effective date."

[9:59:29 AM](#)

REPRESENTATIVE LINDSEY HOLMES, SPONSOR, spoke to the bill. She relayed that many changes in the bill were conforming. The bill did three substantive things: 1) eliminated fee and filing requirements for small or limited offering

exemptions from registrations, specifically to 25 or fewer investors or to existing security holders; 2) increased the division's time to review and offer to repay or rescission offer; and 3) clarified that securities issued by the Alaska Native Claims Settlement Corporation, in compliance with federal law, were exempt from registration. While removing the reporting requirements, the bill still required the business issuing the securities to provide required information to investors in compliance with the Securities Act so that they could make an informed investing decision. The bill kept the Act's consumer protection language intact and did not inhibit the Division of Banking and Securities from investigating violations or the investor seeking damages through the court system. The bill further sought to clarify that stock issued by Alaska Native Claims Settlement Act (ANCSA) corporations to Alaska Natives born after December 18, 1971 or issued after the original stock offering in compliance with federal law were exempt from registering under AS 45.55.070.

Vice-Chair Neuman assumed that the issuance of stock related to corporate law for corporations within the state. Representative Holmes replied in the affirmative, but furthered that it could also be a limited liability. She stressed that it had to be an Alaska entity and Alaska investors.

Vice-Chair Neuman wondered why the state required the additional information. Representative Holmes deferred the question to the department for further detail.

[10:07:22 AM](#)

Co-Chair Stoltze spoke about the issue of the exemption from the record request. He understood that native corporations had a different set of laws, but stressed that there were some large corporations that were favored by the existing law. He wondered if the legislation would disenfranchise the shareholders from the process. He initially felt that the legislation was fairly simple, but felt that there was brevity to the analysis in the fiscal note. Representative Holmes agreed that the Alaska Native Claims Settlement Act (ANCSA) corporations held some issues, but felt that the concerns were unrelated to the legislation. She stressed that the bill was about filing a form with the state, but did not change any practice. The issue was related to where the information was filed, so

because there was a requirement to comply with federal law one could only apply within that requirement. She pointed out that there was never a realization that those files should also be filed with the state. The general accounting office noticed that the filing requirement needed to be detailed in state law.

Co-Chair Stoltze asked if the requirement was onerous. Representative Holmes replied that the onerous part was less affiliated with ANCSA corporations, but it was redundant.

Co-Chair Stoltze pointed to the sponsor statement. He felt that the information was available subject to a public records request and served no interest of the department. He did not want unintentional consequences. Representative Holmes replied that the bill did not change any laws about information to be provided to investors. She agreed that she did not want unintended consequences.

[10:12:49 AM](#)

KEVIN ANSELM, DIRECTOR, DIVISION OF BANKING AND SECURITIES, DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT, ANCHORAGE (via teleconference), referred committee members to a document titled "HB 308 Alaska Securities Act Exemptions" dated March 31, 2014 (copy on file). She stated that, generally, most securities must either be registered or exempt from registration. The bill did not change those requirements, but eliminated some of the paperwork and fee filing with the division for the small offerings and offerings to existing security holders. She shared that there were three substantive changes: 1) eliminated fee and filing requirements for small or limited offering exemptions from registrations, specifically to 25 or fewer investors or to existing security holders; 2) increased the division's time to review and offer to repay or rescission offer; and 3) clarified that securities issued by the Alaska Native Claims Settlement Corporation, in compliance with federal law, were exempt from registration. The small offering exemptions were noted on page 2, line 21 and page 3, line 30 of the legislation. The small offering exemptions were usually referred to as "friends and family exemptions." Those transactions occurred because someone has a business and invites friends or family to invest in that business, and sales commissions were often involved. The small offering exemptions were driven by the

entrepreneur, with no public solicitation or advertising. Most states had small offering exemptions, and the filing was required because filings were more prolific in the original filing act. She noted that there were legends on the securities that explain the limitations on the securities resale; information was required, so investors could make the appropriate decisions based on their own needs; and the more investors there were, the more prescriptive the requirements. She stressed that the only change to the provisions was the filing of the form and fee payment. She noted one other effected exemption in the bill on page 4, line 19. The exemption was for securities issued to existing shareholders, and only applied if there were no commissions paid beyond a standby commission for the new security issuance. Typically, the exemptions were used by an existing business that were advancing. She stressed that the division currently seldom receiving filings for this particular exemption, but those that were filed were usually unnecessary, because there was no commission paid in the transaction.

[10:20:47 AM](#)

ALLAN JOHNSTON, REGIONAL MANAGER, TEAM NETWORK, INC., ANCHORAGE (via teleconference), spoke about his business and angel investing networks. He felt that it was difficult to navigate the technicalities of the laws related to the legislation. He expressed respect for Ms. Anselm with her work within the municipality to educate the people that were attempting to create some of the programs. The attorney fees in the private sector was unnecessary, so there was friction and expensive that was counterproductive on both sides. He pointed out that Alaska had the third highest median family income in the United States, and fiftieth in local risk capital.

Co-Chair Stoltze appreciated the testimony. He stated that any time an ANCSA corporation was mentioned, there was an assurance that the committee would be fully informed.

Co-Chair Stoltze CLOSED public testimony. He asked if there were any amendments.

Representative Costello addressed the fiscal note from the Department of Commerce, Community and Economic Development.

Representative Costello MOVED to REPORT HB 308 out of committee with individual recommendations and the accompanying fiscal note. There being NO OBJECTION, it was so ordered.

HB 308 was REPORTED out of committee with a "do pass" recommendation and with one previously published fiscal impact note: FN1 (CED).

#hb214

HOUSE BILL NO. 214

"An Act relating to mental health patient rights, notifications, and grievance procedures."

HB 214 was SCHEDULED but not HEARD.

Co-Chair Stoltze discussed the future meetings.

#

ADJOURNMENT

[10:26:22 AM](#)

The meeting was adjourned at 10:26 a.m.